

Anti-nuclear campaigners shouting slogans against testing Wednesday near the Indian Parliament in New Delhi.

Nuclear Honeymoon Ends in India After Popular Acclaim for Tests, Protests Erupt in Parliament

By John F. Burns New York Times Service

NEW DELHI - Only two weeks after India detonated the last of five underground nuclear tests to an explosion of popular acclaim, Prime Minister Atal Bihari Vajpayee and his government ran into a storm of protest in Parliament on Wednesday that reflected a growing disquiet among Indians about the risks of India's becoming a nuclear

SEOUL — Defying government threats of arrest, tens of thousands of

workers walked off the job Wednesday

in a new display of labor unrest that

South Korean union leaders said that

the national work stoppage would be

followed by another Thursday and that

the walkouts would continue until the

government halted layoffs. An average

of 8,000 people are losing their jobs

daily, raising the unemployment rate to

6.7 percent, nearly triple the level of a

Yoon Chang Shik, a union organizer

that stood on a stage in front of 2,000

chanting workers at Seoul Station, a main traffic hub. "I haven't been paid in four months, and it is getting very dif-

and steel helmets watched as the pro-

testers, some in suit and tie, sat on the

pavement, raising their fists and shout-

defiant labor action sent the value of the

but the market is still in a precariously weak state. It has fallen 12 percent so far

this week to an 11-year low.

Government officials who on Tues-

day were taking a hard line against the proposed strike, calling it illegal and

threatening arrests, changed tactics. Wednesday. Apparently realizing that

public sentiment was against the mil-

itant Korean Confederation of Trade

Unions, which organized the strike, the

government decided not to confront

strikers or provoke violence. An official

said the government was seeking to

contain the damage that the labor unrest

In addition to a militant labor union

breaking off talks with the government Wednesday, the drastic fall of the Jap-

anese yen against the dollar scot a shudder through South Korea. Japan and South Korea export many of the same

products, including cars, ships and elec-

tronics, and as Japanese goods become cheaper than they have in years, South Korea fears its key avenue to recovery.

Newsstand Prices

Egypt£E 5.50 Réunion12.50 FF

| Vory Coast 1 250 CFA Tunisia _____ 1 250 Din | Jordan ____ 1 250 JD U.A.E _____ 10.00 Oh | Kuwait ____ 700 Fils U.S. Mil. (Eur.) __ \$1.20

....10.00 FF Saudi Arabia......10 SR1.100 CFA Senegal......1.100 CFA2,800 Lire Spain........225 Ptas

exports, is being blocked.

Antilles 12:50 FF Morocco

is causing among foreign investors.

As the government had warned, the

ing, "No more mass layoffs!"

"I have almost no money left," said

threatens to plunge South Korea into

another financial crisis.

ficult for me.

- " " " "

South Korean Workers

Start Nationwide Strike

The scene in Parliament appeared to stun Mr. Vajpayee and other senior Hindu nationalist leaders who head the government. Instead of the acclaim that swept over the government immediately after the tests, when polls showed public support for the blasts running at levels of more than 90 percent, some of India's best-known politicians used the first parliamentary sitting since the explosions to accuse the government in some of the harshest language used in Parliament in years.

On the financial and on the labor

side there are factors that could unravel

things into another round of crisis," said

Bill Michels, managing partner for North Asia for Booz-Allen & Hamilton,

a consulting firm that has done extensive

work on the ailing South Korean econ-

A growing number of analysts worry

that the reluctance of foreigners to in-

vest in South Korea, in part because of

growing fear of labor unrest, and the

to overhaul their inefficient ways, could

sink South Korea into a fresh economic

chaos. In December, the nation nearly

See STRIKE, Page 4

But the central theme of many of the attacks was that the Hindu nationalists, in office only two months after winning barely a quarter of the popular vote in a general election, have betrayed the interests of the 350 million Indians who live in dire poverty, as well as many others in this nation of 980 million people, by committing India to the huge costs involved in developing, deploying and maintaining an arsenal of nuclear

In speeches carried throughout India

on a live television broadcast, the op-

position leaders accused the Vajpayee

government of isolating India in the

international community, of courting

economic disaster because of the trade,

banking and aid sanctions imposed by

the United States and other nations, and

even of risking a new war with Pakistan

because of the spate of triumphalist

warnings that top ministers have issued

to the Islamabad government since the

'It's a great achievement for India, top ministers in the coalition govern-March, when the elections transferred power to a new, 14-party coalition headed by the Hindu nationalists. "Where does all this lead to, how

does it all add up?" he said. slow pace of family-run conglomerates The parliamentary session came as developments at home and abroad shifted the attention of many Indians from

See INDIA, Page 8

Major Stock Markets Fall Amid Anxiety Over Asia

Risk of Hong Kong Recession Sparks a Sell-Off

By Mitchell Martin ional Herold Tribune

NEW YORK - Warnings that Hong Kong is headed for recession and that Japan's banking system may be in trou-ble sent the world's stock markets into a

fresh tailspin Wednesday.

Share prices plunged across Asia and
Europe, and the Dow Jones industrial average in New York, which fell 150 points Tuesday, lost another 150 points Wednesday before recovering to end just 27.16 points lower, at 8.936.57.

In Hong Kong, stocks plunged more than 5 percent after the territory's chief executive, Tung Chee-hwa, warned that Hong Kong could join some of its Asian neighbors in falling into a full-blown recession, raising fears that the entire region might be headed for another round of financial turmoil.

Among the worst-hit markets, however, were those of emerging econ-omies, and particularly that of Russia, where investors fled at the sight of a government battling to avoid a collapse of the ruble.

The Russian central bank tripled interest rates to a four-year high of 150 percent to try to lure investors into buying fresh government debt, and the stock market fell more than 9 percent.

In Europe, Germany's benchmark in-dex fell 3.1 percent, France's was down 2.4 percent, and Britain's lost 1.7 percent. Latin American markets also fell before recovering late, in step with the Dow.

Earlier, in Asia, Hong Kong's Hang Seng Index tumbled 5.3 percent, and Japan's Nikkei 225 slid 1.4 percent.

Much of the impetus for the wild stock trading came from fresh fears for the health of Japan's banking system, as well as that of Indonesia. Moody's Investors Service issued one of its strongest warnings Wednesday regarding Japan's banking system as it downgraded the country's largest bank and four others. Separately, Moody's warned that Indonesia's entire banking system was "broadly insolvent."

Illustrating the worries Wednesday was a warning from Boeing Co., which said "the Asian situation may mean downward pressure on production rates,'' especially for its 747 jumbo jets. The company said, however, that so far most airlines in Asia were taking delivery of planes they had ordered for this year. (Page 13)

The decline in European and American equity markets was broad-based but not panicky. One difference, however, is that European markets gen-erally advanced Tuesday, while the U.S. markets fell sharply late in the day, setting the stage for the declines in Asia on Wednesday.
The U.S. Treasury bond market, of-

ten a haven in times of crisis, benefited from the stock-market worries. The 30year issue was yielding 5.84 percent Wednesday, receding from the 6 per-

ON PAGE 13

• Stocks fell sharply across Asia amid fresh worries about the soundness of banks and economies in the region. • Russia struggles to prevent a collapse of the ruble. • The financial contagion sweeping Asia is now affecting markets in Eastern Latin America and

New York	Wednesday @ 4 P.M.	previous close
DM	1.7835	1.7705
Pound	1.631	1.6363
Yen	137.375	137.865
FF	5.978	5.938
77.15T	The Dow	
	Wednesday close	previous close
-27.16	8936.57	8963.73
	S&P 500	
change	Wednesday @ 4 P.M.	previous close

but we can't even supply ordinary drinking water and electrical power to the people of this country," said Indrajit Gupta, a Communist who was one of the

Alliance to Deploy Forces in Countries Bordering Province

By Joseph Fitchett International Herald Tribune

PARIS - NATO is set to authorize Thursday the deployment of alliance forces, possibly in units numbering several thousand men, in countries bordering Kosovo in a bid to prevent the conflict there from escalating, according to officials at NATO headquarters. Almost immediately, an 800-man U.S. force in Macedonia will be beefed up as NATO opens a base at Kriovolac, a former Yugoslav Air Force headquarters near the border of the Serbian province that has seen sharp clashes between Serbian forces and ethnic Al-

NATO is also set to "examine" - a phrase that in practice means prepare -an allied force involving about 7,000 troops that could be sent to Albania if needed to help the authorities patrol their frontier. Macedonia and Albania have called for NATO troops to help them avoid being sucked into the fighting between Serbs and the local Muslim majority of ethnic Albanians.
"What's significant and makes this

more important than it may look," a U.S. policymaker in Washington said by telephone, "is that NATO is formally involving itself in preventive peacekeeping for Kosovo and therefore somehow in a resolution there."

The Clinton administration, Germany and some other NATO allies would have liked to go further and specifically mention armed intervention in . Kosovo as an ultimate option if Serbian troops continue to escalate their cam-

paign, NATO officials said.
But some allies, especially Greece, which has strong sympathies with Serbia, resisted explicit language that would fly in the face of Serbia's opposition to any international involvement in what Belgrade says is an in-

temai problem. But NATO has left intervention as an option on its list of possible measures, a European policymaker said, adding that "we believe, along with the Americans, that the text shows that we mean business, including very tough business."

The message is meant mainly for

See KOSOVO, Page 8

Jakarta Under Pressure on East Timor

U.S., Australia and Portugal Call for the Release of Resistance Leader Hundreds of riot police with shields

By Michael Richardson

JAKARTA - Indonesia came under mounting pressure Wednesday to resolve one of its most contentious foreign policy problems — East Timor — as the United States, Portugal and Australia called for the release of the imprisoned East Timorese resistance leader to hasten a settlement.

won, the South Korean currency, dropping sharply against the dollar. The Korean Stock Exchange composite index recovered slightly Wednesday, apparently because there were no reports of violence between police and strikers, but the contest is still in a recognizely Analysts said the resignation of President Suharto, who anthorized the invasion of the Portuguese colony in 1975 and its annexation the following year, had opened the way for the new government of President B. J. Habibie to take a more flexible approach on the issue, which has damaged Indonesia's international reputation.

Evidently taking heed of the intense foreign interest in the fate of political prisoners from the Suharto era, Jakarta allowed Christopher Smith, a member of the U.S. Congress, to meet Wednesday with the East Timorese guerrilla leader, Xanana Gusmao, in the Jakarta prison where he is being held.

In the past, the Indonesian government and military have rejected calls for the release of Mr. Gusmao — who was arrested in the East Timor capital, Dili, in 1992, and later sentenced to 20 years in prison - on the ground that he was convicted of separatism, a criminal offense in Indonesia.

So far, the Habibie administration, which held its first cabinet meeting Monday, has freed only two of about 200 people detained for what in the West would generally be regarded as political offenses.

See TIMOR, Page 8



Residents of Jakarta listening to President Habibie.

U.S. Firms Bring Travel Budgets Back to Earth

By Edwin McDowell New York Times Service

NEW YORK - American corporate air travel is no longer the land of the blank check.

Seagram Co. sometimes suggests that employees headed for San Fran-cisco fly instead to San Jose, California, then make the hour-plus drive north, saving hundreds of dollars on fares.

Beil Atlantic Corp., rebelling at the high fares out of Charleston, West Virginia, where it has a local headquarters, often charters a small plane to Washington or other cities.

Dresser Industries Inc. has been known to chauffeur London-bound plant two hours to Toronto, to save about \$1,000 a ticket.

And when the trip is a short one say, four or five hours by car - Dresser, Bell Atlantic and many other companies are urging employees to drive, not fly.

In short, corporate America has grown increasingly irritated by steadily rising business air fares, especially to smaller cities. In response, companies are giving more and more of their employees less and less choice and flexibility in making travel arrangements.

Many companies, in fact, dictate not only what airlines employees can fly on — if they let them fly at all — but

employees from its upstate New York also what hotels and rental car compa- the crackdown this time is the unusual nies they must use. And video con-

alternative to a trip. Some employees resist switching from a favorite airline or hotel, but companies are making that harder.

"If they still insist on traveling out of policy," said Bob Grant, who runs the travel program at Charles Schwab & Co., "they have to go to the executive vice president for approval. That usually convinces them they don't want to do it."

Over the years, companies have repeatedly tried to hold down travel costs, particularly when profits and the economy are weak. The difference in

lengths companies are going to and the ferences are more often pushed as an fact that it is being done in the midst of a roaring economy. Business travel amounted to about \$156 billion last year, according to American Express.

An indication of companies' determination can be gleaned from a survey released this month by the National Business Travel Association, whose 1,200 travel manager members booked \$21 billion in air fares last year and \$29

billion in other travel expenses. Through March of this year, 62 percent of member companies reported using lower-priced advance-purchase

See FRUGAL, Page 7

After hovering around the 9,200 level for most of May, the Dow has slipped back as investors apparently are recalculating the outlook for corporate earnings as the economy slows.
Edward Collins, head of equity trading at Daiwa Securities Inc., said, "It's a

cent level it breached this month.

combination of people being somewhat afraid of the Asian flu and the extent that the Asian situation is going to effect earnings here."
Additionally, Mr. Collins said, the

U.S. government's increasingly tough stance toward corporate takeovers, such as WorldCom Inc.'s purchase of MCI Communications Corp., as well as the antirust actions against Microsoft Corp., are weighing on sentiment in a

market that has been rising for years. "It was probably time for us to have a correction of some kind," Mr. Collins said, "and we needed an excuse."

How much of a correction is hard to predict, Mr. Collins said, but he noted that stock prices had been rising faster than the historic long-term rate of about 11 percent a year for most of the 1980s and 1990s.

See MARKETS, Page 14

Japan Reaps Blame as **Crisis Grows**

Asia's Economic Engine Now 'Pulling Backward'

> By Alan Friedman International Herald Tribune

ROME - From Manila to Moscow and from Seoul to Frankfurt, warnings that economic stagnation in Japan threaten to aggravate Asia's financial crisis and hurt the world economy now appear to be coming true.

nesday was triggered by a cluster bomb of bad news ranging from the downgrading of Japan's top banks to recession in Hong Kong, labor unrest in South Korea and a warning that Indonesia's banking system was "broadly insolvent," economists say the biggest problem is that Japan, Asia's powerhouse, is more hindrance than help to its troubled neighbors.

Instead of providing desperately needed cash loans or investment to its capital-starved partners in East Asia, Japan is paralyzed by a stand-still economy, an unresolved banking crisis and political indecision that is holding up fax cuts and financial-sector reforms that would also benefit the entire re-

At the same time, Japan's contracting economy is not able to aid other troubled Asian nations by buying their goods. Even worse, the rapidly depreciating yen means that Tokyo is now competing more aggressively on world markets with the problem-plagued countries of Asia, especially South Korea, which need to export to survive their crisis.

That means that the falling yen threatens to trigger another round of currency devaluations across Asia. which in turn risks sending the world financial markets into further turmoil or

"Japan is the locomotive of Asia, but it is pulling backward," said Kenneth Courtis, the Tokyo-based chief economist for Deutsche Bank's Asia-Pacific operations. Mr. Courtis said the market turmoil that swept Asia on Wednesday.

See ECONOMY, Page 19

AGENDA

Paris Title Quest **Ends for Sampras**

Pete Sampras's quest to win the one Grand Slam tennis title that has eluded him failed again Wednesday with a straight-set, secondround loss in the French Open to 97th-ranked Ramon Delgado of

The loss by Sampras meant that after only three days of play, the French tournament is now without its top two seeds. Petr Korda, No. 2, was upset Tuesday by another South American, Argentine Mariano Zabaleta. Page 22.

ARK

Books	Page 9.
Crossword	
Opinion	
Sports	
The IHT on-line	





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A Story is Banned / Fears of Exasperation

In Japan's Schools, an Uproar Over Updike

By Kevin Sullivan Washington Post Service

■OKYO — John Updike, that chronicler of American male desire, has been banned in Japanese high schools.

The Japanese Ministry of Education has axed Mr. Updike's short story "A & P" from a new high school literature textbook. Government censors decided that the story, perhaps the most commonly taught Updike story in American schools, would embarrass Japanese girls and cause "significant exasperthat would disrupt classes.

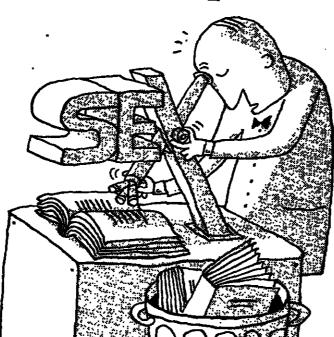
The story is about three teenage girls who walk into a grocery store wearing just their bathing suits, and the effect this has on the narrator, a 19-year-old checkout clerk. Here's one passage that apparently sent the censors into a book-burning froth: "She was a chunky kid, with a good tan and a sweet broad soft-looking can with those two crescents of white just under it, where the sun never seems to hit at the top of the backs of

her legs."
In addition to at least one other reference to that same "really sweet can" there is also an observation about "the two smoothest scoops of vanilla I had ever known" - and the narrator was not talking about the frozen-

food section. There is no overt sex, no violence and no words dirtier than "belly." The narrator stands up to a fuddy-duddy store manager who orders the girls to cover up, loses his job for his attempt at chivalry and never gets so much as a thank-you from the halfdressed objects of desire. It's a little taste of the stuff - the pungent language, the deft traversing of the masculine psyche — that has made Mr. Updike one of the most celebrated writers of his generation.

But the blue-suited men with the red pencils over at the Education Ministry have this to say about that: Pulitzer Schmulitzer.

"It's so odd," said Paul Cardaci, an assistant



professor of English at Georgetown University. "It sounds like political correctness. I think Updike would be amused."

Irene Gilman, who teaches English at the American School in Japan, a private international school in Tokyo, said: "They teach 'Romeo and Juliet' and certainly that's a lot more sexual and enticing.'

Ms. Gilman suggested that Mr. Updike's story may go against the grain in group-think Japan because it involves a young man who stands up to authority and isn't the slightest bit sorry about it. While that might rankle some people here, she said she can't imagine banning "A & P" for its sexual content.

"I think they're reading too much into this sto-

Algerian fundamentalist leaders, Has-

san Hattab, who heads Armed Islamic

for suspects detained in Switzerland,

Tesnim Aiman and Ressous Houari, be-

lieved to be involved in a network that

delivers east European arms to Algeria

nine Algerian suspects in the north of

the country, Stefano Dambruoso, a

deputy prosecutor, said the network fo-

cused on by the Europe-wide operation

was primarily based in Germany. France, the former colonial power in

Algeria, is viewed as the prime enemy

by Islamic fundamentalists in the North

African nation who have been fighting

since January 1992 to bring down the

1995 and 1996 left 13 people dead and

seeking to overthrow the government of

President Liamine Zeroual, has been

accused of the tens of thousands of

civilian casualties in Algeria.

definite period beginning May 29. Sud Aerien

The main union for Air France pilots has

The World Cup lasts until July 12, and Air France is marketing itself as the competition's

Unions want Air France to limit pilots'

Jean-Cyril Spinetta, the head of Air France.

flights to four per day and to drop the lower salary scale paid to new pilots since June

said Tuesday that he would not be held to

ransom by the striking pilots, saying their demands, if met, would hurt the company's competitiveness. "I will not give in," Mr.

Spinetta said. "What we need to do these days

Free Reports

The Risks And Rewards

Of Trading Foreign Exchange The World's Largest Marketplace

said it may extend the June strike for a further two weeks, which would cripple the airline

during the soccer tournament.

'official carrier.'

is conquer markets."

A string of terror attacks in France in

The Armed Islamic Group, which is

In Italy, where the police arrested

The other two extradition requests are

region east of Algiers.

and forges papers.

government.

about 200 wounded.

ry," she said. "It's not a sexual thing, he just thinks she's lovely." Ms. Gilman said she's been teaching "A & P" to students as young as ninth graders for years and has never had a complaint from a parent or a student. "I also teach mythology, where all sorts of things bappen, 'she said. 'I mean, Zeus is in everybody's bed. I just put it all out there.'

Kadokawa Shoten Publishing Co. had planned to include a Japanese translation of the story in a contemporary literature textbook. The company submitted the story to the ministry, which must approve all materials taught in public schools, and the company says it was turned down flat.

'It's so lively, and the descriptions are so good," said Tetsuro Tsukui, a company official who oversaw the "A & P" case, "Our judgment was that it is absolutely proper as material for a textbook." Mr. Tsukui said the company protested the ministry's rejection, with no luck.

The decision was made public Tuesday by the publisher. A ministry official said he would not discuss the matter until next month when the government announces its textbook decisions.

Controversy over censorship is not new to the education bureaucracy in Japan. After decades of prodding, as well as rulings from the country's high court, the ministry now allows more objective assessments of Japan's conduct during World War II into textbooks. Critics are still not

satisfied that the full truth is being told to students, but most agree that the ministry is making progress. Mr. Tsukui said he's seen only one other case of

textbook censorship in the past decade. Last year the company wanted to include a story for sixth-graders in which one of the characters sees some "men in black suits."

The ministry determined that those men were Japan's Yakuza gangsters. The bureaucrats told the company that the story did not adequately explain that gangsters are bad people, and suggested the story be rewritten. The company declined.

On U.S.-Mexico Border, The Body Count Rises By John Ward Anderson Mustaingnan Post Service FALFURRIAS, Texas — A huge ave sweeps nine people off a Gulf receive sandbar to their and the only friend the illegal immirror the Border Pares of Letter 1.

wave sweeps nine people off a Gulf of Mexico sandbar to their deaths. A flash flood kills eight people trapped in an underground drainage pipe. Eighteen people freeze to death in the mountains outside San Diego in a freak winter storm. Seven men die when their pickup truck careers off the road and crashes.

Those are a few of the headlines some call it the body count - from the U.S.-Mexican border, a 2,000-mile (3,200-kilometer) stretch of treacherous rivers, highways, mountains and deserts that immigration experts say is becoming increasingly dangerous for illegal immigrants.

By some counts, at least six people ie each week trying to sneak into the United States from Mexico.

'We've got more than our share of bodies; I wish I could get some help." said the Kenedy County sheriff, Rafael Cuellar Jr., who said 38 people died—most of them from heat and dehydration after crossing the border into his South Texas county over the last two years. "And there's no telling how many we don't find."

A study last fall by researchers at the University of Houston found that at least 1,185 would-be immigrants, and probably many more, died trying to cross into the United States illegally from 1993 to 1996. About 72 percent of the victims drowned, roughly 8 percent were struck by cars — usually while running across a highway near the border - and about 5 percent died of environmental causes, such as heat, cold

The danger has become particularly acute as the United States pours more money, manpower and equipment into ightening the border against the flow of illegal immigrants and drugs. Most of the effort has focused on beefing up law enforcement in heavily traveled urban corridors near El Paso, Texas; Brownsville, Texas, and San Diego.

As a result, illegal immigrants try to go around the 38 official border crossings. They attempt riskier trips through more remote and dangerous areas in darkness and at the mercy of unreliable immigrant smugglers who abandon them if they get sick or cannot keep up. Many bodies have been found in remote areas ranches dozens of miles from the nearest road.

Some critics of U.S. immigration policy say it deliberately elevates the risk of death or serious injury among illegal immigrants.

This policy is very destructive and militaristic, and many people are being victimized by the criminalization of their entry and the enormous risks they are being forced to take," said Jonathan Jones, who works for an immigration and refugee human rights organization in South Texas.

Supporters of the policy say it makes sense to concentrate resources in the urban areas where illegal crossings are rampant, and if people choose to avoid those areas, that is their decision.

"It's a big border from Brownsville to San Diego, and we have to start somewhere," said Joe Garza, the top U.S. Border Patrol official in South Texas. "The frontier is a dangerous

der Patrol checkpoint in Falfurrias, said: "I wouldn't take the blame for the num ber of aliens crossing, and I wouldn't take the blame for the number of deaths

Ironically, experts said, U.S. border enforcement policy is forcing illegal aliens to turn to smugglers, known as 'coyotes," because the border is so much harder to cross. U.S. officials say that the rising difficulty and expense of illegal entries eventually will deter undocumented migrants.

But a report five months ago by the General Accounting Office said that while higher smuggling costs and more sophisticated techniques suggest it is now harder to cross the border, "These data do not indicate whether the increased difficulty of entry has deterred the flow of illegal entries into the country."

There is "no way of knowing," the report said, "whether the billions of dollars invested in reducing illegal immigration have produced the desired

Rights Abuse on Rise In Nigeria, EU Says

The Associated Press

LONDON — The European Union repeated its concern about human rights in Nigeria on Wednesday, saying that there had been a marked increase in harassment of pro-democracy activists.

The statement, issued by Britain's Foreign Office on behalf of the 15 EU countries, noted several recent incidents, including a raid on the office of the Civil Liberties Organization; the arrest of Olisa Agbakoba, coordinator of the United Action for Democracy prodemocracy umbrella organization; and deaths of seven people when security force broke up a pro-democracy rally May i in Ibadan.

The EU said it welcomed the release of 142 people under General Sani Abacha's amnesty of Nov. 17 including five journalists and pro-democracy activists detained without charge.

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HOLDING NOTES

"But the EU reiterates its demands that the Nigerian authorities use this opportunity to release Chief Abiola, General Obasanio and the other 1995 alleged coup plotters, leading trade uni-onists Frank Kokori and Milton Dabibi and other political prisoners," the statement said.

The statement also said that the trial of alleged coup plotters before the Spe-cial Military Tribunal did not follow international norms, and urged the government to commute the death sentences of six defendants.

"The EU recalls that under the International Covenant on Civil and Political Rights, of which Nigeria is a signatory, anyone convicted of a crime shall have the right to have his conviction and sentence reviewed by a higher tribunal and anyone sentenced to death shall have the right to seek a pardon and commutation of the sentence," the statement said.

France Adds 1,000 Troops to Patrols

PARIS - France, beefing up World Cup security after a Europe-wide swoop on suspected Algerian Islamic terrorists, said Wednesday that 1,000 extra troops would be on the streets to avert the threat of attacks.

The Interior Ministry said that "as the World Cup approaches, extra military personnel will from today boost the security system in place.' The additional 1.000 soldiers will be

added immediately to the 860 already assigned to watch over ports, airports, railway stations and busy public places, alongside police and paramilitary squads, the ministry said in a state-

The Interior Ministry added that the 1.860 troops would be deployed in priority in the 10 cities, including Paris, playing host to 32 teams and 2 million foreigners expected for the event.

The ministry provided no details on the number of police and other security personnel taking part in surveillance ahead of the showcase soccer tournament, but sources said they would run into the thousands.

Interior Minister Chevenement will provide details next

DEATH NOTICE

Andrea Badrutt

died a week before

his 88th birthday, after a long and happy life as one of the

owners, managers and much loved host of Badrutt's Palace

Hotel-St. Moritz

He shall be greatly missed by his family, the staff of the

hotel, and guests from the

world over.

He is survived by his son.

lohannes, his daughter-in-law, Denize, his newborn grandson. Ali Andrea, his brother and

sister-in-law, Hansjurg and Aniko, and the Wolfensberger

family.

Funeral services will be held at 1:00 on Thursday, May 28th at the Protestant Church

iu St. Moritz.

A huge Europe-wide law-enforcement operation on Tuesday netted Algerian suspects believed to have been setting up a new Islamic fundamentalist terror network targeting France.

Two weeks before the June 10 kickoff of the World Cup, hundreds of policemen acting in coordination in five countries - Belgium, France, Germany, Italy and Switzerland -- brought in nearly 100 suspects along with large amounts of money and documents.

French policemen detained two more people on Wednesday.

The two detentions, both in the outskirts of Paris, brought the total number of people being questioned in France to 49. A total of 53 people were hauled in Tuesday, and six were later released.

Mr. Chevenement said Wednesday that the European police operation "was not purely preventive but that there were sufficiently serious elements for us to act in advance."

At least three logistic networks were smashed in the operation, Mr. Chevene-ment said Tuesday evening. France issued extradition requests for four of the suspects arrested in other European

Two suspects arrested in Germany ---Adel Mechat and Omar Saiki - are

Wednesday not to disrupt the upcoming

World Cup, saying they risked "spoiling the image of France."

"I'm calling for reason," Mr. Gayssot, a Communist, said a day after failing to reach agreement with Air France pilots. The pilots

the Sud Aerien union representing ground crew at the Orly airport near Paris urged all

airport staff to walk off the job for an in-

agreement with Air France pilots. The pilots said they would strike during the first two weeks of June, coinciding with the June 10 start of the World Cup.

"It's a time when the whole world will be watching France." Mr. Gayssot said. "Let's not do anything to spoil France's image, or the image of its companies." He called for further dialogue with the pilots.

In another piece of bad news for Air France, the Sud Aerien union perfecenting around companies.

Paris Asks Pilots Not to 'Spoil' Cup

PARIS — Transport Minister Jean-Claude said its appeal was supported by two other Gayssot appealed to Air France pilots on major ground crew unions.

TRAVEL UPDATE believed to be aides to one of the top

Museums and Exhibits Group operations in the mountainous

Strike in Paris Closes

PARIS (AFP) - Strikes at the Grand Palais exhibition center and the Natural History museums closed a series of exhibits in the French capital on Wednesday, including one on the 19th-century painter Eugene Delacroix and another on Man Ray's photographs.

At the Grand Palais, near the Champs-Elysees, labor union officials said temporary exhibitions would be closed after a strike by museum guards demanding permanent work contracts instead of temporary ones.

In southern Paris at the Jardin des Plantes, which houses the main Natural History museum buildings, strikers said a six-day work-stoppage was being extended over management's refusal to .hire extra guards.

Toyota said it would construct an automobile theme park next year as part of a new commercial and entertainment complex at a Tokyo waterfront site. The 50 billion yen (\$362 million) project is scheduled to open in the spring of 1999.

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WEATHER Forecast for Friday through Sunday, as provided by AccuWeather Europe North America Asia

North America

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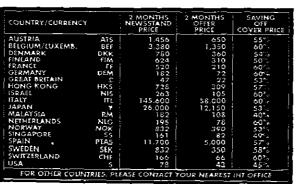
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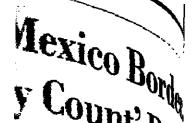
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THE AMERICAS

Mexico Bond. Welfare Recipients Hold On to Jobs, Welfare Find **Companies Find**

By Robert Pear

companies hiring welfare recipients say they have found, to their surprise, that such mentors, job coaches or some workers stay on the job type of 'buddy' system to longer, with less turnover, help welfare recipients learn than other employees.

the expectations of skeptics, extra help with child care and recipients lack the skills and work. motivation needed to hold

Giant Food Inc., Marriott International Inc., Salomon Smith Barney Inc., Sprint Corp., United Airlines, United Parcel Service and Xerox Corp. said they had made systematic efforts to hire welfare recipients in the last year. In separate interviews, executives at those companies said they had retained a larger proportion of former welfare recipients than of other entrylevel employees.

"It's been a real pleasant surprise for us," said Ricki Crescenzi, manager of employment at Giant Food, a regional supermarket chain based in Maryland.

tice meat cutters. After 90 still on the job, while the retention rate for other employ- child care." ees in similar jobs was 50 percent.

Janet Tully, director of community employment and training at Marriott, said her company hired 360 welfare "If they lose this job, they'll have to get another one. That recipients last year and had have to get another one. That hired 100 so far this year, with may encourage them to retention rates similar to stay.

those reported by Giant. The efforts to hire welfare recipients come in the context of a tight U.S. job market, and they have several features in 53 welfare recipients it hired common. Most of the compa- in the last year.

nics work with local government agencies or nonprofit WASHINGTON - Some that recruit and train welfare community organizations

Many of the employers use skills needed for their jobs. The findings run counter to Many offer welfare recipients who have said that welfare transportation to and from

> Welfare specialists sounded a note of caution, saying some people who are still on welfare might have more difficulty getting and holding jobs. These include homeless people, drug addicts, people with mental illnesses, convicted felons, battered women and people with limited ability to read or speak English.
>
> Ms. Tully attributed the

high retention rates at Marriolt to the "training, personal attention, coaching and counseling" given to welfare re-cipients. That's a luxury that a lot of other employees don't have," she said.

LaDonna Pavetti, a welfare expert at Mathematica Policy Research, said welfare recip-The company hired more ients had access to job-trainthan 100 welfare recipients as ing. child-care and transporcashiers, pharmacy clerks, tation services that were not baker's assistants and appren- available to people "hired off the street." For example, she days, she said, 79 percent of said, "In Massachusens, if the welfare recipients were you find a job while you're on welfare, you are guaranteed

The work requirements of the 1996 welfare law may also

Barbara Silvan, senior vice president of Salomon Smith had retained all but four of the

POLITICAL NOTES

Lawyer Named to Investigate ... Clinton's Labor Secretary

WASHINGTON - A prominent Maine trial lawyer has been appointed the inde investigate allegations that Labor Secretary Alexis Herman solicited illegal campaign contributions and engaged in influence peddling while a White House aide.

A special three-judge appeals panel named Ralph Lancaster Jr., 68, of Portland, to the post. Mr. Lancaster, who has no previous prosecutorial experience, is a past president of the American College of Trial Lawyers.

Attorney General Janet Reno asked for an outside prosecutor earlier this month. Mrs. Reno said she did so because she was unable to dismiss the accusations made against Ms. Herman by an African businessman, Laurent Yene, who lodged the charges after a bitter ending to a romantic and business relationship with a close friend of

He alleged that Ms. Herman, while head of the White House Office of Public Liaison, agreed to accept 10 percent of any business she helped generate for a private venture owned by Mr. Yene and Ms. Herman's friend, Vanessa Weaver. He also charged that Ms. Herman told Ms. Weaver to seek donations for the Democratic Party from a Singapore businessman who wanted to secure help on a federal license for a satellite phone network. (WP)

Congressmen Win in Kentucky

LEXINGTON, Kentucky — Two members of the House of Representatives from Kentucky have gotten a step closer to the Senate by winning primaries to fill the seat being vacated by Wendell Ford, a Democrat.

Representative prints agree sixthed a perfect same for

Representative Jim Bunning, 01, a six-term conservative Republican who once pitched a perfect game for the Philadelphia Phillies, easily defeated State Senator Barry Metcalf with 75 percent of the vote.

It was not as easy for the winner of the Democratic primary. Representative Scotty Baesler, 56, a tobacco farmer and lawyer who was elected to the House in 1992.

He defeated Charlie Quien a businessman and Lieu.

He defeated Charlie Owen, a businessman, and Lieutenant Governor Steve Henry. With 99 percent of pre-cincts reporting, Mr. Baesler had 33 percent of the vote, Mr. Owen 30 percent and Mr. Henry 27 percent. Three other candidates shared the rest. (NYT)

Quote/Unquote

Jerry Brown, governor of California from 1975 to 1983 and now running for mayor of a gritty California city long cited as a textbook example of urban decline: 'Oakland is the unfinished agenda of America, It's all here, if we can work to create unity. This is not just a campaign, its a movement, a cause.

Away From Politics

• All of the glaciers in Glacier National Park in Montana will be gone in the next 50 to 70 years, according to researchers who have been measuring the rate at which glaciers are melting around the world.

• A federal judge in Manhattan ruled that the administration of Mayor Rudolph Giuliani was violating the First Amendment rights of taxi drivers by preventing them from protesting regulations and fines that the city is seeking to impose on their industry. But the city's lawyers immediately won a stay of the ruling.

• Hunger among immigrant families in two of California's largest counties has increased at an alarming rate since September 1997 when a federal welfare reform act mandated that noncitizens be cut from government food stamps, a study

• Trustees of the City University of New York voted to exclude any student from its four-year colleges who is not proficient in reading, writing and arithmetic.

Starr's Team Is Painstakingly Retracing Lewinsky Steps

By Susan Schmidt Nashmeton Post Service

WASHINGTON -- Investigators for the independent counsel Kenneth Starr have spent months methodically reconstructing the details of Monica Lewinsky's life as told to her friend Linda Tripp in secretly recorded conversations. They have subpoenaed billing records of her purchases, excavated her computer files, interviewed her girlfriends and questioned her mother.

Lawyers for witnesses said Mr. Start's office had been trying to substantiate Ms.
Lewinsky's statements in the more than 20 hours of tape recordings, looking for independent evidence to prove the accuracy of dependent evidence was been innecessary and deliver even her innocuous descriptions of daily activities as well as to corroborate her alleged claims that she had had an affair with President Bill Clinton and was being urged to lie about it in the now-dismissed Paula Jones

"They are making a map of everywhere she's been and everything she's done," said Lucianne Goldberg, the New York literary agent who has heard some of the tapes and closely watched the public progress of the investigation. It was Ms. Goldberg who urged her friend Ms. Tripp to tape Ms. Lew-

Ms. Lewinsky's telephone records, e-mail correspondence and logs of entry and exit to

37 times after leaving to work at the Pentagon are part of the record of Ms. Lewinsky's movements and communications

that Mr. Starr has assembled. And that process isn't over yet: Sources said Mr. Starr's investigators have told Ms. Lewinsky they want her to submit a handwriting sample and fingerprints Wednesday at the federal building in West Los Angeles to be analyzed by the FBI, pursuant to a wide-ranging subpoena issued to her this

Ms. Lewinsky could try to disavow the substance of her taped comments about Mr. Clinton - perhaps claiming, as her lawyer has intimated, that she was embellishing the facts when she said she was having an affair with Mr. Clinton and being pressured to lie about it by Mr. Clinton and the Washington lawyer Vernon Jordan Jr., who was enlisted to help find her a job in New York.

If that happens, prosecutors could seek to show that she was telling the truth to Ms. Tripp by proving that her other recorded statements are accurate.

For example, prosecutors, armed with a stack of subpoenaed telephone records, have questioned Mr. Jordan in painstaking detail about more than a dozen phone calls with Mr. Clinton in the six weeks before the scandal about Ms. Lewinsky's broke.

A Jordan associate said the presidential

the White House that show she returned there confidant was grilled in three sessions before the grand jury by prosecutors as they tried to match the times, dates and subjects of his calls with Mr. Clinton to the description of events Ms. Lewinsky detailed to Ms. Tripp.

"They are footnoting the tapes and sup-plementing them," said John Barrett, who teaches criminal law at St. John's University

"That's what the bookstore stuff is about," said Ms. Goldberg, referring to Mr. Starr's controversial subpoena to a Washington shop for records of Ms. Lewinsky's purchases, which include the 1992 novel "Vox" about phone sex. "Vox" is on the

tapes — that's what it's all about," Ms. Goldberg said.

Similarly, Mr. Start has subpoenaed advertising billing records from The Washington Post that show that Ms. Lewinsky purchased a personal ad for Valentine's Day last year that was addressed to "Handsome" and signed "M." The ad quoted lines from Shakespeare's "Romeo and Juliet": ["HANDSOME With Love's tight wings did John perhaps waller /For story line. did I o'er-perch these walls: / For stony limits cannot hold love out, / And what love can

do, that dares love attempt. — Romeo and Juliet 2:2 Happy Valentine's Day. M'']
Ms. Lewinsky was recorded telling Ms. Tripp that she had placed the valentine advertisement for Mr. Clinton and that he was "ga-ga" over it, according to a source.

A Washington courier service was sub poenaed for records showing that Ms. Lewinsky sent parcels from her Pentagon office to Betty Currie, the president's secretary, and Mrs. Currie, sources said, has turned over to Mr. Starr a box of gifts from Mr. Clinton to Ms. Lewinsky that she retrieved when the Jones lawyers sought them from Ms. Lewinsky under sub-

Mr. Starr has also subpoenaed Ms. Lewinsky's credit card receipts, from which he could try to learn about gifts from her to Mr.

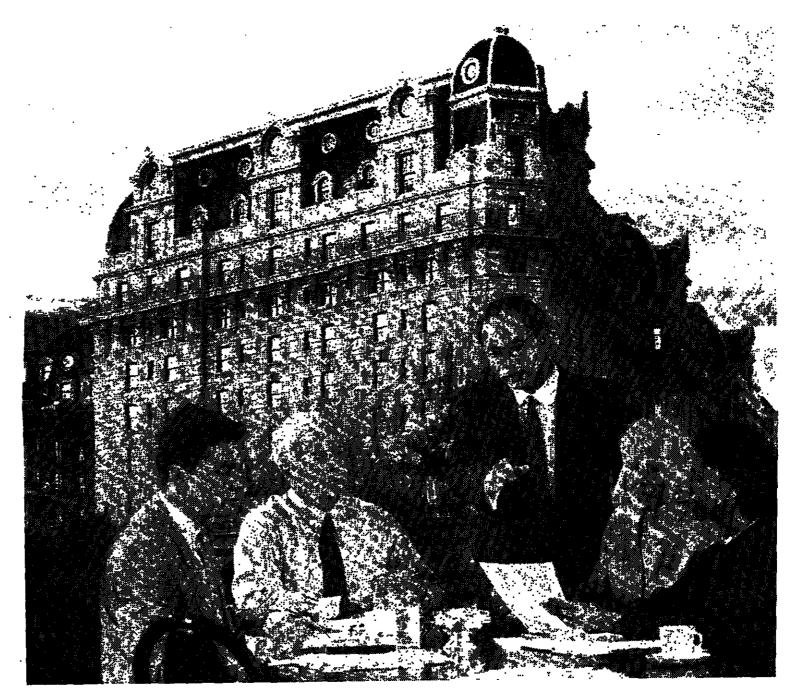
Clinton, including a tie, which she allegedly told Ms. Tripp about.

"It all adds up to binders of Lewinsky evidence that can be used to examine her,"

Mr. Barrett said. The Lewinsky family is reportedly looking to hire a new criminal lawyer amid signs they have concluded Ms. Lewinsky now faces the imminent possibility of indictment if she does not make a deal and tell her story to the grand jury. Potential charges could include perjury, obstruction and subornation of perjury for allegedly pressing Ms. Tripp to

lie in the Jones case. "We are anticipating the full boat," William Ginsburg, one of Ms. Lewinsky's lawyers, said last week.

"We are assuming there will be a grand jury appearance," he said, and "we are assuming there will be an indictment."



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ASIA/PACIFIC

Political Parties of All Stripes Sprout After Indonesian Thaw

By Keith B. Richburg and Jackson Diehl Washington Post Service

JAKARTA -- Ever since her father was arrested for refusing to join the ruling Golkar organization, when she was a teenager, Emmy Hafild has burned with zeal to overthrow Indonesia's authoritarian government and the power structure behind it. For many years, she says, the only activity she could pursue without risking imprisonment was environmentalism - and so she founded the Indonesia Environmental Forum.

Now, she says, her real chance has be political leaders who, literally has brought rapidly escalating pressure arrived. In the last two weeks, rushing overnight, have rushed into the power to bear on Mr. Habibie's still-fragile

succeeded President Suharto last week. "We are all in a state of shock: Change has come so fast that none of us is ready," Miss Hafild said as she gulped a hasty buffet dinner between meetings Monday night. "Now we have to move as quickly as we can, so we can set the didates for the presidency.

The explosion of political activity, political agenda for the next couple of months. We don't want the agenda set by the army.'

Miss Hafild is one of scores of would-

formed, ranging from a workers party to groups representing business, opposi-tion intellectuals, Muslim social organizations and ethnic Chinese. At least three prominent Muslim or retired military leaders have said they are can-

which up until a month ago would have been unthinkable in this country of 17,000 islands and 200 million people, between organizing meetings, news con-ferences and street demonstrations with of Mr. Suharto's 32-year-old rule. In the with little support from either the public

a constantly chirping cell phone, Miss Hafild, 40, has helped organize two opposition position political coalitions as well as a campaign to ous B. J. Habibie, who campaign to ous B. J. Habibie took office hopunderstanding the control of the co would be held as soon as possible.

A substantial part of the newly open opposition, including Miss Hafild's Indonesia Working Forum, is demanding that the People's Consultative Assembly, which in March appointed Mr. Suharto and Mr. Habibie as president and vice president, be reconvened immediately to remove Mr. Habibie and install a president not associated with the old government.

We need to create a new coalition government that has a limited mandate to organize elections," Miss Hafild said. "Our economy is collapsing, and in two

ical forces emerging from all directions here are beginning to define the outlines of a new Indonesian politics, in which a military-backed authoritarian monopoly yields to competition among Muslims, secular nationalists, populists and

splinter factions representing ethnic trainorities and regional separatists.

Some officials say they are concerned with how to preserve a secular state in a country with the world's largest Muslim population or avoid the development of a politics dominated by religious differences. Some experts say they are wor-ried that Indonesia will repeat its history during the 1950s, when the newly independent country was plunged into turmoil by a host of competing political factions and managed only one fully democratic parliamentary election before an authoritarian takeover by Mr. Suharto's predecessor, Sukarno.

Above all, Indonesian analysts say they are wondering how the country can manage to organize a rapid transition to its first democratic elections in 45 years while simultaneously managing an economic crisis that is deepening by the day. Most banks and large industries are bankrupt, and economists say tens of millions of people will face severe poverty and even hunger as the economy contracts in the next several months, creating the risk of more social disorder.
"The question is," said Marzuki

Darusman, vice chairman of the Indonesian Human Rights Commission, "can we even afford politics if in two months everything in the economy is going to collapse. That is going to be a very crucial time when the government is going to have to uphold order."

The starting point for Indonesia's new politics is Golkar, which Mr. Suharto used as his ruling instrument for most of the last 30 years. With Mr. Suharto gone, the alliance is showing signs of splintering. A labor faction has announced plans to form a workers party, as has the Kosgoro faction, made up mostly of army veterans now in private business.

Former Golkar leaders acknowledge

they face an uphill battle for public sup-port. The new labor party chief, Wilhelmus Bhoka, who leads the government-affiliated All Indonesia Trade Unions, said that he stopped being active in Golkar long ago. "I was very critical" of Mr. Suharto, he insisted in an interview. 'I'm surprised I wasn't arrested.'

'Golkar is finished,' said Yusuf Wanandi, chairman of the Center for Strategic and International Studies and a longtime Golkar member. Mr. Wanandi said he is exploring setting up a party with like-minded academics and intellectuals.

The largest new political groups are growing out of Muslim organizations, and rival politicians say they could introduce religion into politics for the first time in decades. The two largest Muslim organizations are the more traditional Nahdlatul Ulama and its rival, Muham-

Mr. Rais in recent weeks has leaped to resign, and he gained the support of many students whose daily protests eventually toppled the president. Mr. Rais says he is ready to form a political party that will be his vehicle for contesting presidential To the workers, however, such talk elections, whenever they are held. "We was a pretext for dismissals that they say have to open a new page in the political

party system in this country." he said. Challenging both religion-based parties is a more secular, highly nationalist stream of thought among the elite that is perhaps best represented by the opposition leader Megawati Sukar-"Remember," he said, "the lives of noputri. Though she played only a marginal role in the turmoil of recent weeks, many chiefs and no Indians."

BRIEFLY

Hanoi Brass Killed In Crash, Laos Says

HANOI — A 40-seat plane carrying senior Vietnamese military personnel crashed in Laos and all passengers are believed to have been killed, a Laotian official said Wednesday.
The official said the Russian-

made plane crashed during a heavy. rainstorm in jungle about 300 ki-lometers (190 miles) north of the

capital, Vientiane.
The official provided no details on the number or identities of the passengers. A military delegation led by Lieutenant General Dao Trong Lich, chief of the general staff of the Vietnamese Army, left for Laos on Saturday. (Remers)

Officials Confirm Estrada's Vote Lead

MANILA — An official count confirmed Wednesday that Vice President Joseph Estrada had won the presidency by the biggest vote margin in a free election in Philippine history.

The count by a joint congressional panel gave the former actor 10.6 million votes in the May 11 election. His principal rival, the speaker of the House and the candidate of the governing party, Jose de Venecia, got 4.3 million votes.

Congress is officially to proclaim Mr. Estrada as winner Friday.
President Ferdinand Marcos won

by 16.5 million votes over a token: rival, former Defense Secretary Alejo Santos, in a 1981 election held under martial law. (Reuters)

For the Record

No signs of life were visible when helicopter spotted on a snowcovered mountain the wreckage of a Mongolian airliner that crashed Tuesday carrying 28 people, including 12 children, an official in the prime minister's office in Ulan Bator said Wednesday.

Japanese policemen said Wednesday that they had raided the preokosha Tuesday on suspicion that it had exported to China 18 products that could help produce nuclear arms. The 1996 sale would have required official approval. (Reuters).

Mrs. Megawati remains a formidable factor if only because of her name — she is the daughter of Mr. Sukarno.

The specter of explicitly Muslim candidates in elections is prompting representatives of ethnic and religious minor-

ities to consider political organization. Christianto Wibison the forefront of the opposition movement mentator and director of the Indonesian with his early calls for Mr. Suharto to Business Data Center, said several members of the ethnic Chinese community had asked whether he would be willing to lead a Chinese-based political party. He declined, noting that Chinese represent just 3 percent of the population.

Mr. Wibisono said he was concerned that dozens of new parties would emerge in the coming weeks, further complicating the challenge of organizing a democratic political system.

"Since we have had this 32 years of a monolithic regime, we are not used to these differences of opinion." he said. "The state of the opposition is there are

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Striking Workers In South Korea Say They Will Fight to 'Survive' By Don Kirk

ULSAN, South Korea - At the epicenter of the workers' revolt in South Korea, the issue was survival of fam-

'We will fight for our families, our fathers, our mothers, our wives, our children!" Kim Kwong Sik, the leader of Hyundai Motor Co.'s union, shouted at about 15,000 of his followers as they gathered Wednesday inside the sprawling compound of the main plant of South Korea's largest motor-vehicle manufac-

turer. "We are fighting to avoid death!" While the workers waved fists and shouted, an array of tanks, buses filled with policemen and rows of police officers on foot guarded the Hyundai compound and the roads leading to and through east Ulsan, the home of nine Hyundai companies employing more than 80,000 workers. For all the rhetoric, however, the

protest was an exercise in nonviolence. march from the company's compound to 'Many of them did not want to strike,' said a Hyundai official in the headquar- threatened worse to come if the company hoisting a banner proclaiming "No

Continued from Page 1

went bankrupt and the won plummeted

to almost 2.000 to the dollar, after hovering around 900 for most of the year. On

Wednesday, it was trading at just over

The first strike since the economy

ers who brought plants in the southern

Korean Confederation of Trade Unions,

which organized the strike, estimated that 120,000 union workers walked off

said that number was highly inflated.

the soaring unemployment.

Announcements

protesting and walking away from jobs

Both Indonesia and South Korea

suffered a near total collapse of their

tens of thousands of striking auto work- Kim Dae Jung.

1,400 to the dollar.



Striking workers chatting as they occupied a Hyundai Motor service center in central Seoul on Wednesday.

out by the union leaders."

STRIKE: Thousands of Workers Launch Walkout in South Korea

haircuts, who are taking to the streets.

While millions of Indonesians harbored

pent-up hatred of Mr. Suharto, who ruled

the country like a king for 32 years, many

South Koreans support, even admire,

went into tailspin late last year included their democratically elected president, and chanted in the streets Wednesday.

were not asking for a new government.

the job Wednesday, but the government Kim Dong Hyen, a securities company ings and is increasing angry that the

worker, said he wanted the government

The new direction is all about break-

In order to secure the IMF funds, the

government agreed to overhauling its

finance and business sectors. Key to

unrest that followed in Indonesia, which government subsidies and bad loans widespread public unrest will hurt Ko-

in auto factories, insurance offices, met-al and machinery factories and other jobs the International Monetary Fund in ex-week that public support for union

Protesters said Wednesday that they months.

was elected in December.

ters building. "They were forced to walk failed to comprehend the significance of Layoffs" and handing out leaflets. the walkout, which nearly 90 percent of On a eight-kilometer (five-mile) the workers supported in a strike vote.

"Today is only the beginning," said a rally on the edge of the city, workers Kim Han Jin, an assembly-line worker,

"I like President Kim, but the gov-

He said he has gone through his sav-

The U.S. ambassador to Seoul, Steph-

wealthy owners of the companies are not

week that public support for union

restructure, and ultimate revive, the

"There is general awareness that

tripled this year.

sharing workers' pain.

economy.

A former dissident, Mr. Kim spent ernment has to provide more unemploy-

"We are shutting down the plant for only two days," he added. "Next month it will be much worse. It depends on what the company will do."

From long experience, company of-ficials know the workers are capable of resorting to violence and shutting down the plant for weeks. It was here, in what is sometimes

called "Hyundai City," that organized labor staged the first prolonged strikes of beginning to boil over in South Korea. time unemployment system in the public It is not students, but union workers, sector here were amended. As a result, the South Korean industrial revolution a decade ago. It is here that leaders of the often family men with dark suits and tidy an unemployment rate that was about 2.5 percent last year has already almost Korean Confederation of Trade Unions, To add to the pain, the country has a the umbrella organization that reprepaper-thin social safety net, and that is sents most of South Korea's industrial another key reason laborers marched workers, plan to base their struggle

through the long, hot summer ahead. With memories of strikes of previous years always in mind, the company said madiyah, which is led by Amien Rais. ment benefits. said Lee Han Jin, 44, 3 If would talk to the union before mai carpenter who has not worked in good on its plans to lay off 8,000 of its 46.000 workers.

More than 1,400 have already applied for voluntary retirement," said an official. Assembly lines here, he said, have been operating at only 45 percent of capacity since January.

strikes was limited because most people the company decided on long before understand that layoffs are necessary to going through the motions of negotiating the issue.

"If we keep fighting, we will win in the end," said Dan Byong Ho, head of the metalworkers' committee.

our families are at stake."

led to the ouster last week of President were withdrawn was to lay off workers. rea's image abroad and will retard the Suharto, is quite different from what is Laws that had essentially set up a life- recovery." Mr. Bosworth said.

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Personals

city of Ulsan to a halt. The militant years in fail battling dictators before he

Still, the tens of thousands of people to "take a new direction.

demonstrated the growing anger over change for a \$58 billion bailout.

economies late last year. But the social saving companies from bankruptcy once

MAY THE SACRED HEART of Jesus be adored, glorified, loved and preserved throughout the world, now and lorever Sacred Heart of Jesus pray for us Sant Autie, worker of marscles pray for us Saint Jude, helper of the hopeless, pray for us. Amen. Say his prayer naw times a day, by the minth day your prayer will be enswered it has never been known

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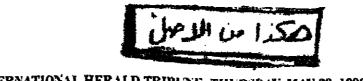
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The Welfare Association invites all Palestinians and their friends to support the Museum and to contribute to its permanent archives, displays and activities by offering documents, photographs, letters, books, and other historical materials and experiences, whether written or oral.



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For further information Palestine Life and Remembrance Museum http://www.palestine-remembrance.org

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EUROPE

Italy Seeks to Indict Crew Of Jet in Ski-Lift Deaths

4 U.S. Pilots Could Face Another Trial in Absentia

By Alessandra Stanley New York Times Service

ROME — Italian prosecutors have asked a judge in northern Italy to issue indictments for multiple manslaughter against the four crew members of the Marine jet that sliced through ski lift cables last February and killed 20 people. The prosecutors also moved to indict the crew's commanding officers on the same charges.

The four crew members have been charged with involuntary manslaughter and other offenses by United States military prosecutors.

The Marine Corps held hearings last month to determine whether two of the crew members should be court-martialed and plans hearings next month for the other two. Two senior officers are not facing a court-martial but instead could be subject to administrative penalties.

The Marine Corps has said that the plane - an EA-6B Prowler based at the NATO Air Base in Aviano, Italy - was flying too low and too fast during a training exercise. The United States claimed jurisdiction under the North Atlantic Treaty Organization's charter, which specifies that governments have jurisdiction over their personnel who are accused of crimes in the line of duty in foreign countries.

The Italian government initially asked the Americans to waive jurisdiction, but when the Americans declined, the Italians did not try to prevent them from proceeding with their own investigation.

During his recent state visit, Prime Minister Romano Prodi of Italy praised President Bill Clinton for his "quick" response to the accident, but added, "I am awaiting for the future development of the case.

The Italian prosecutors, who are based in Trento, must ask a judge to decide whether the crew members should be tried in the Italian courts. He

TBILISI, Georgia — Up to 38,000 people have fled fighting in the break-

away region of Abkhazia in the last four

days, Georgian officials said Wednes-

nic Georgians who had returned to their

homes in Abkhazia only recently after rleeing during the 1992-93 war.

Among them were about 30,000 eth-

could well rule that Italy has no jurisdiction in the case. Even if he did agree with the prosecutors, however, the United States is not likely to extradite them. But under Italian law it is possible for defendants to be tried in absentia in Italy even as they are facing military proceedings in the United States.

That appears to be the prosecutors'

"It's not that we don't trust the American legal system," one of the prosecutors, Francantonio Granero, said. "It's a question of principle. Italy is a sovereign country. These people were killed in Italy and that is where the trial should be." At the Pentagon, Lieutenant Colonel

Scott Campbell, a Marine Corps spokesman, said, "We've retained jurisdiction thus far and we feel we have an agreement in place." He said "we're confident we've done the things required" under the agreement, called the Status of Forces Agreement, that gives the United States military jurisdiction

over its own personnel.

Colonel Campbell added, "We continue to cooperate with the Italian investigative authorities, and the trial team is very pleased with the cooperation we've received from the Italian officials."

In their request, the prosecutors argued that because the crew violated flight restrictions, jurisdiction agreements in the NATO charter were invalid. They also argued that some aspects of the NATO charter violate the Italian constitution.

Even Italian legal experts question whether such arguments hold water, but under Italian law, judges have considerable autonomy in deciding whether to bring a case to trial. And there are precedents of local Italian judges claiming jurisdiction over foreign service personnel and ignoring their governments'

President Vladislav Ardzinba of Ab-

khazia imposed emergency rule in the

region for three months, the Interfax

news agency reported Wednesday. Spe-

cial passes will be required to enter or

leave the region or cross the Georgian

border, and vehicles in the area will be

The refugees have been pouring into the neighboring regions of Zugdidi and

inspected. Interfax said.



Riot policemen clashing with demonstrators Wednesday in Athens.

Greek Workers Stage Nationwide Strike

Reuters

ATHENS - Greek workers staged a 24-hour nationwide strike Wednesday to protest against government plans to privatize much of the state sector, snarling traffic in Athens and leading to minor clashes with riot

Walkouts affected public transportation, ports, banks, schools, the post office and air travel. The stock market fell nearly 4 percent on concerns over reduced international confidence in some of Greece's state-owned banks. The General Confederation of Greek Workers called for the actions over government plans to sell off public banks and other companies as part of its campaign to qualify for Europe's economic and monetary union.

The police said they used tear gas to disperse angry protesters who had tried to break through their lines and enter the Parliament building. There were no reports of injuries or arrests.

muscles over the reform program.
"It's totally arbitrary to link last Sun-

day's local election results with the neg-

ative opinion expressed by the Forza

Italia parliamentary group on the present state of constitutional reforms,"

stability and uncertainty and would turn

'Italy has been a very fragile coun-

Mr. Berlusconi said.

the clock back 30 years.

Uncertainty Shrouds Vote On EU Treaty In Denmark

COPENHAGEN - The outcome of Denmark's referendum on the European Union's Amsterdam treaty on Thursday is uncertain because many voters are still undecided, newspapers reported Wednesday.

Two dailies, Politiken and Borsen, quoted Ole Tonsgaard, a professor of political science at Aarhus University, as saving that opinion polls indicating a clear "yes" outcome for the referen-dum could be proved wrong.

In the months leading up to Denmark's general election in March, polls steadily predicted a victory for the center-right opposition, but Prime Minister Poul Nyrup Rasmussen's center-left coalition won re-election by a narrow margin, Mr. Tonsgaard said.

Many voters - up to 800,000 of the four million registered - remain andecided after three weeks of campaigning on the Amsterdam treaty referen-

"The group of people in doubt is still large," Mr. Tonsgaard said. "That is tions did not mean it was now flexing its why the picture is very uncertain, perhaps more so than before the previous

Political analysts said the "no" camp had attracted voters in the last days before three of Denmark's four previous plebiscites on European Union matters - one of which, the first referendum on "The majority system has produced more stability and I hope very much that we push along this road," he said.

"The majority system has produced more stability and I hope very much that we push along this road," he said.

"The return of the proportional," he added, "would condemn Italy to instability and uncertainty and would more reality and would more reality. the Maastricht treaty in 1992, resulted in

Most recent opinion polls have shown a wide but shrinking lead for supporters of the Amsterdam treaty, which is designed to reform EU in-stitutions as the bloc of 15 West European countries prepares to expand by admitting up to 10 new members from Eastern and Central Europe.

Analysts say the Danes are torn between their wish to take part in European cooperation and their unwillingness to see Denmark give up more sovereignty to the union.

The treaty paves the way for greater EU cooperation on crime, employment, environmental, asylum and refugee issues and in foreign and security policy.
It includes such controversial issues

as strengthening the powers of the European Parliament and the European Commission president, and increasing the use of majority voting. The accord must be ratified by all EU states before it can take effect. Denmark is one of three countries holding a referendum on the treaty.

Italians Could Face Early Elections

ROME — Italy could face early elections if Parliament fails to agree on a package of measures to change the country's constitution, including the role of the president, senior politicians

said Wednesday. Deputy Prime Minister Walter Vel-troni said that "certainly," early elections were "not to be excluded."

"It would be an outcome that would weigh heavily on the country," he

'It's clear that we have reached a point in the reform process where an interruption would provoke very serious problems," said Mr. Veltroni, who the first member of the government to express concern over the political fal-lout of a possible breakdown in the

Salendzhikha since Sunday, said one of-

ficial, Tamaz Nadareishvili. They are be-

ing sheltered in schools and tents, as well

A total of 23 railway cars in the

Zugdidi region have also been pressed

into service as temporary shelters, the

Hundreds of homes in a string of ethnic Georgian-inhabited villages in

as in the homes of relatives, he said.

Itar-Tass news agency reported.

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Mr. Veltroni was speaking shortly Italia party, said the good performance ter the leader of the lower house of his party in last Sunday's local elecafter the leader of the lower house of Parliament signaled his worries that turmoil over constitutional change raised the specter of early elections.

There are problems," Luciano Violante said as he left Parliament. "We are headed for a breakdown. If there is a breakdown, I think we will be headed for a vote and Italians will have to decide."

Politicians have been debating reforms to the political and electoral system, Italy's institutions and the judiciary for more than a year. Current disagreements focus on whether the head of state should have more powers than the largely ceremonial duties the president now performs. The lower house is due to vote on the issue.

Former Prime Minister Silvio Berlusconi, leader of the center-right Forza

Abkhazia have been burned, Mr.

Nadareishvili said. Smoke could be

seen rising over the region on Wed-

northwest Georgia, declared indepen-dence in 1992. Separatists drove out

Georgian troops and ethnic Georgian

Most of the recent fighting has been

civilians in a 13-month war.

Abkhazia, a Black Sea province in

nesday, he added.

Skirmishes in Georgia Send Refugees Fleeing Across Borders between Abkhazian separatists and mi-

> entered the Ghali district this week. A cease-fire took effect on Tuesday. but scattered shooting was reported and the combatants have been slow to withdraw from the region.

> litiamen who support Georgia's central government. But Georgia's interior

minister. Kakha Targamadze, acknowl-

edged that troops from his ministry had

BRIEFLY

Spain to Extradite Mafia Boss to Italy

MADRID - A judge ordered the immediate extradition to Italy on Wednesday of a Sicilian Mafia boss who was captured after fleeing to Spain. officials said.

The Mafia boss, Pasquale Cuntrera, 63, who faces a 21-year prison sentence after his conviction for running an international drug ring, told Judge Teresa Palacios that he would not fight efforts to return him to his homeland.

Mr. Cuntrera's escape from Italy, despite apparently being confined at times to a wheelchair, caused outrage over what critics say is a woefully inefficient judicial system.

The police captured him Sunday in the southern Spanish resort of Fuengirola, where he was spotted walking girola, where he was spotted walking with a cane on a palm-lined boulevard Hungarian Party (Reuters)

EU Moves to Lift Ban On Beef From **Ulster**

BRUSSELS - The European Commission announced a June 1 date on Wednesday for the resumption of beef exports from Northern Ireland, which were banned more than two years ago

29 See 17-Across

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over the "mad cow" disease crisis: EU agriculture ministers agreed to ease the worldwide restrictions on Northern Ireland alone in March, but the accord provided for a final inspecslaughterhouses and meat plants.

"The commission is satisfied all the conditions of the Florence agreement have been met, the beef is perfectly safe and we're confident the ban can be lifted," said Gerry Kiely, spokesman for Farm Commissioner Franz Fischler.

EU member states have been willing to lift the ban because detailed computerized records have been used in Northern Ireland for years. This can prove cattle have not been in contact with herds known to have had the disease, bovine spongiform enceph-

Ready for Coalition

BUDAPEST — Hungary's agrarian-based Independent Smallholders party said Wednesday that it was ready for coalition talks with the center-right Fidesz party, winner of last weekend's elections, but made no hard demands for cabinet posts.

"We are preparing to be in government for four years with a party that

CROSSWORD

sticks to its word and we are convinced that Fidesz will be such a party," the Smallholders leader, Jozsef Torgyan, said at a news conference.

Fidesz won 148 seats in the 386-sear tion visit and report on the province's Parliament, according to unofficial results, while its ally, the Hungarian Democratic Forum, took 17. The Smallholders won 48 seats. (Reuters)

Ex-Anti-Graft Figure In Italy May Be Tried

BRESCIA. Italy - Prosecutors in this northern Italian town asked Wednesday that Antonio Di Pietro, a former anti-graft magistrate, be put on trial on corruption charges.

Magistrates deposited their request with the preliminary investigating magistrate, Anna Di Martino.

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It was not clear when she would rule on whether or not to order a trial for the former star of the "clean hands" corruption inquiries, whose investigations helped bring down Italy's corrupt political old guard.

Mr. Di Pietro, who has denied the charges, was public works minister when Prime Minister Romano Prodi's center-left government took office in 1996. He left the government after six months after coming under investigation for alleged malpractice while a

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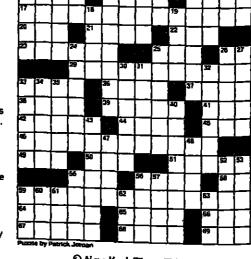
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INTERNATIONAL

Gingrich in Israel: The Show Goes On

Arafat Has Conceded Jerusalem, He Asserts

sentatives, accused the administration of even if under Israeli-Palestinian accords President Bill Clinton on Wednesday of the fate of Jerusalem is to be part of picking a fight with him while he was future peace talks. trying to help make peace in the Middle

In remarks likely to anger Palestinians critical of his pro-Israel stance, Mr. Gingrich, Republican of Georgia, also said it was his guess that Yasser Arafat, head of the Palestinian Authority knew that lerusalem would always be the capital of

Turning up the volume in a trans-Atlantic war of words, Mr. Gingrich assailed the Clinton administration, which on Tuesday branded as "outrageous" and "offensive" his remark two weeks ago that Secretary of State Madeleine Albright was an agent for the Palestinians.

James Rubin, the State Department spokesman, criticized Mr. Gingrich for those comments in Washington in which he accused the administration of pres-

At the time, Mr. Gingrich said, "I think it's wrong for the American secretary of state to become the agent for the Palestinians have accepted the proposal. Palestinians.

On Wednesday, Mr. Gingrich, referring to Mr. Rubin, said: "You supposedly pay spokespeople to avoid fights - not to get you into them. And why would he want to attack me when I am overseas trying to be helpful?"

Mr. Rubin said Mrs. Albright was

"extremely troubled" by Mr. Gingrich's remarks. "I would never say that," Mr. Gin-

grich said. "Madeleine Albright is a good friend of mine." Mr. Gingrich said he had done everything to coordinate his Israel trip with the Clinton administration, even making

pro-Clinton statements in the Knesset, the Israeli Parliament. Mr. Gingrich said his support of Jerusalem as the "eternal" and "united" capital of Israel was based on a U.S. law under which the U.S. Embassy is to

move to Jerusalem from Tel Aviv by next year.
"It's also a simple fact," he said. "I mean Jerusalem is the capital of Israel. No person I know believes it is going to cease to be the capital of Israel. And my guess is even Arafat doesn't believe it's going to cease to be the capital of Israel."

Israel captured East Jerusalem from Jordan in the 1967 Middle East war and annexed it. Palestinians view it as the capital of a future state.

JERUSALEM — News Gingrich, speaker of the U.S. House of Representatives accurately bands of Representatives accurately bands. that Jerusalem was the capital of Israel

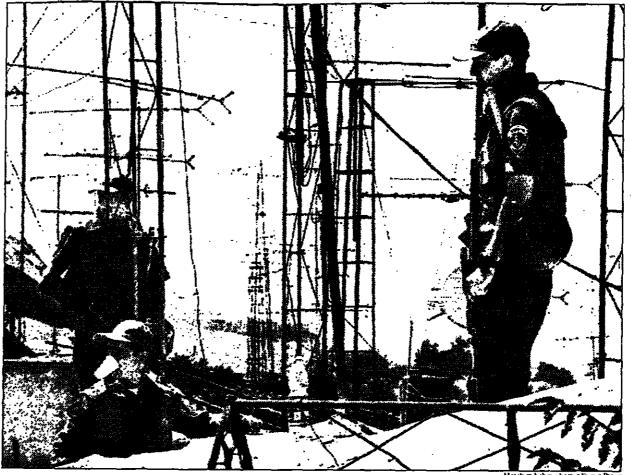
The House minority leader, Richard Gephardt, Democrat of Missouri, said, "I think you're going to have to wind up with a situation where Jerusalem is the capital and maybe the capital of other entities as well." Mr. Gephardt is one of about 25 U.S. congressmen in Israel this week marking its 50th anniversary.

There may be a solution that would allow there to be a sharing of the situation," Mr. Gephardt said before meeting Mr. Arafat.

The Palestinian planning minister. Nabil Shaath, hailed Mr. Arafat's meet-

ing with U.S. congressional leaders. This is the first real dialogue with Congress at a very senior level and here in Palestine," Mr. Shaath said.

For months, President Clinton and Mrs. Albright have been trying to persuade Israel to withdraw from an additional 13 percent of the West Bank as a prelude to



final Israeli-Palestinian peace talks. The Israeli soldiers standing guard near an illegal settlement built in East Jerusalem by rightist Jews. Israel has ordered the removal of nine shacks that militants put up without permission in a mostly Arab neighborhood.

Hookworm Continues to Stalk China's Rural Poor

By Steven Murson Washington Post Service

WUHU, China - Forty-one years ago, millions of peasants, soldiers and students across rural China lined the banks of dried-up rivers and lakes before the start of the rainy season and turned the soil by hand in an effort to bury the snails that carry the parasite that causes schistosomiasis.

Under the orders of Mao Zedong, the Communist Party chairman, banners flew with slogans declaring: "Empty the rivers to wipe out the snails, resolutely fight the big belly disease." An article in the Chinese Medical Journal of August 1958 hailed "the people's boundless energy," claimed widespread success and proclaimed that Wuhu county was "a snailless county."

Four decades later, studies here in the Wuhu area and across China are exploding another myth of the Mao era. The snails — and schistosomiasis —

survey of a million people, epidemiologists estimate that about 700 million Chinese — a staggering 62.6 percent of the population — harbor one or more types of parasites.

Most of them live in the Yangtze River basin where the Three Gorges Dam will soon make a huge and unpredictable impact, probably sharply increasing the rates of certain diseases, such as schistosomiasis, in some areas and possibly lowering infection rates in other areas.

Infection rates for parasites have probably dropped in recent years, as China has grown more urban and peasants begin using more chemical fertilizers rather than human and animal excrement. But the "unholy trinity" of the parasite world - Ascaris lumbricoides (roundworm), Trichuris trichiura (whipworm) and Ancylostoma duodenale (hookworm) - still plague much of ing problem in China. Other sorts of growth, damaging their mental abilities sanitation improved.

worms and parasites are even more and making them lethargic and anemic. abundant. Based on a 1990 nationwide The number of Chinese with hookworm alone is nearly 200 million.

"Though there is no hookworm in cities, go a few miles outside Chinese cities and you go back in time," said Peter Hotez, a Yale University pediatric epidemiologist and one of the world's few hookworm experts. "The great cities in China are very modern, as modem in some ways as Los Angeles. But two hours away, nothing has changed in a very long time, and people are still using human feces as fertilizer."

Last month, Mr. Hotez journeyed to Zhongzhou village, south of Wuhu, in search of worms. A survey here in March indicated that 36 percent of the 2.567 people who live in this village in the southern corner of China's Anhui Province have hookworms.

Hookworm, which Mr. Hotez estimates infects up to 1 billion people worldwide, was once common in the American South. The worm vanished are alive and well and remain a gnaw- rural China and are stunting children's in the United States early this century as

The worms, which can measure from a half-inch long to four inches, suck blood from their human hosts, causing anemia, stunting their growth and damaging their intellectual capacity. A person with hookworm could have hundreds or thousands of them and lose as much as a cup of blood a day, causing severe loss of iron and protein.

Although treatable, hookworm tends to reinfect people who continue the same habits that caused them to contract schistosomiasis in the first place. The worms like damp, cool places, such as fields of rapeseed, cotton and tobacco. Eggs deposited in the soil develop into larvae, which are swallowed or attach to passing humans or animals and penetrate the skin.

Once in the bloodstream, the larvae pass through the heart and into the lungs and airways, where they are coughed up and swallowed. When they reach the small intestine, the larvae mature into adult worms and attach themselves to the intestinal wall. Adult worms live an average of four to five years.

Toll Hits 60 In Upsurge Of Violence In Algeria

ALGIERS - Algeria has been wracked by a new upsurge in bomb attacks and clashes between security forces and armed Muslim extremists, which claimed more than 60 lives this

week, according to press reports.

An unidentified armed group killed eight Algerian soldiers at Djebabra in the mountains overlooking Meftah, 25 kilometers (about 15 miles) south of the capital, the daily Watan reported Wednesday.

The paper said that the group laid an ambush for a military patrol on Monday, planting several explosive devices on the route they were due to take.

Security forces did not confirm the reported ambush, which came a day before a marketplace bomb blast claimed at least seven lives and, according to observers, marked a return to attacks on civilians by the hardline Armed Islamic Group, or GIA.

El Watan did not say who was believed to have attacked the military patrol, but the ambush took place in a region controlled by the dissident the GLA leader, Hassan Hattab.

Eleven people were killed and 50 were wounded in an overnight attack on a village in the Blida region, 50 kilometers south of Algiers, security services announced Wednesday.

In Tuesday's marketplace attack, at least seven people were killed and eight others wounded in Khemis Miliana, about

100 kilometers southwest of Algiers. Another daily, El Khabar, reported that six armed fundamentalists were killed by security forces on Tuesday: three at Amroussa, south of the capital, two at Annaba in the east and one at Tlemcen in the west.

Slimane Achache, a leader of a group of "patriots," or civilian defense groups fighting the extremists, was killed on Monday near his home at Kadiria, near Lakhdaria, 70 kilometers east of Algiers, the press also reported Wednesday. Among those reportedly slain this week were 29 Islamic extremists.

> See our **Friendships**

every Saturday

in The Intermarket

FRUGAL: Corporate America Cutting Back on Travel Spending

Continued from Page 1

fares, compared with 45 percent in 1996: 54 percent said they had increased their percent in 1996; 52 percent reported using video conferences, up from 27 percent, and 54 percent have reduced the number of employees on a trip, up from 36.5 percent in 1996.

In addition, Topaz International, a Portland, Oregon, company that audits fares, said that lower air fares negotiated by corporations soared to 56.9 percent through last year, up from 42.5 percent in 1994. And more than a third of those fares represented lower-cost nonrefundable tickets, more than double the percentage three years earlier.

"This indicates a very heightened sense of how businesses are trying to contain costs by changing travel be-havior and travel patterns," said Valerie Estep, the president of Topaz.

While air fares are usually the biggest single travel expense, other costs add up. On the average four- or five-day trip to New York, for example, where rooms can easily cost \$250 a night, hotel costs will be about the same as air fares." said Earl Foster, director of global travel management at Seagram.

For Seagram and other companies, that also means limiting the number of employees allowed to attend particular meetings, sometimes by substituting video and audio conferences.

Even top managers are affected. Pres-- idents or chief executives are allowed to fly first class at 39 percent of companies that normally decree coach-class seat-that normally decree coach-class seat-ling according to a survey compiled this

For companies, an important part of ing, according to a survey compiled this month by the Bureau of National Affairs, a Washington research firm. But at many companies, no one is allowed to many airline seats or hotel rooms they fly first class. Even Charles Schwab, the deliver, and for some the savings easily financial company's founder, rarely flies run into seven figures. Mr. Grant of first class, although he has access to a corporate jet.

Of course, airlines are so eager to please business travelers that whenever don't overlap, one rental car company. possible they upgrade them, or give and 71 hotels instead of the 1,500 we



Janet Jones, whose employer, Mariner Health, tries to book its business travel on low-cost carriers.

therraisle seats and keep the middle seat

the calculation is the bulk discounts that can be negotiated. These depend on how Schwab, for one, insists that employees do not feel the pinch.

"By using five airlines whose routes

used to have," he said, "we saved \$1.9 million last year. That's cash to the bottom line. And we achieved it without sacrificing the comfort, care or security

Schwab's air costs have plummeted from 41 cents a mile in 1995 to 21 cents last year, Mr. Grant said, compared with an industry average of 34 cents.

Corporations clearly want to pressure airlines into holding back on further increases in business fares, which, even adjusted for inflation, have risen by 22

percent since 1992. But company travel managers rec-ognize that the airlines, after losing \$14 billion from 1990 to 1994, are trying to chalk up healthy profits while they can. The travel managers are understanding, but only to a point.

"It's in everybody's best interest to have a healthy transportation system,' said Will Tate, the travel manager of Dresser Industries, of Dallas. "But there comes a time when no matter how much you sympathize with the airlines and wish them well, you have to say, wait a

minute.' That is exactly what companies are doing, as can be seen in the push to drive,

Bell Atlantic also authorizes its travelers who stay with friends or family, instead of in a hotel, to give their host a gift equivalent to the amount of money they would spend on meals in a single

And instead of paying some \$700 for employees at its plant in Alexandria, Louisiana, to fly round trip to Houston, Bell Atlantic asks them to drive, which take four and a half hours each way.

Republic National Bank asks overseas-bound employees to combine jour-neys where possible — for example, visit Singapore and Hong Kong on the same trip.

Like most companies. Seagram and Schwab prefer to save money whenever it is cost-effective to do so. By flying on transcontinental flights that make a stop between Washington and San Francisco, rather than using nonstop flights, Mr. Foster said, Seagram employees save the company a bundle. Schwab employees save about \$1,000 on round trips between San Francisco and Denver by flying on Frontier Airlines, instead of on a major carrier.

And when Seagram employees have to fly to London, then Brussels and Madrid, they are asked to rejigger their schedules, if possible, to avoid flying to London first, thus avoiding the high cost of flying directly to Heathrow airport.

Mariner Health Group Inc., a Con-

necticut-based company that provides health-care services in many states, has been booking it s employees on Southwest Airlines ever since that low-cost carrier moved into Eastern markets.

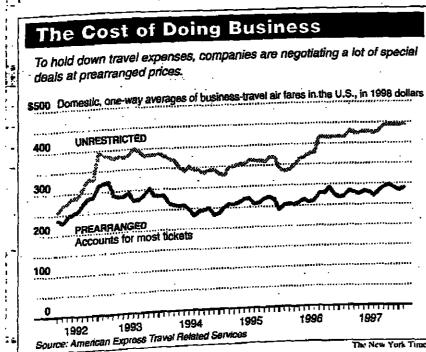
Richard Keating, president of Keating Communications, a New York public relations firm, always has his travel agent tell him the different fares for different times of day. He learned, for instance, that it would cost about \$700 for a round-trip flight to Atlanta departing at 7:30 A.M., but only about \$300 if he left two hours later.

"I know it's late, but I'd like some sushi. How tar do I have to go?



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NEW DELHI -- Hindu extremists, who have been emboldened by the rise to power of a Hindu-nationalist government, are increasingly being accused of brazen displays of intolerance.

groups have targeted the house and work of a well-known Indian artist, sabotaged a Pakistani musical show and stormed a meeting of Indian scientists critical of nuclear testing. The world squash champion, Jansher Khan of Pakistan, was banned" from visiting India.

Two trucks transporting the soft

INDIA: Storm in Parliament

Continued from Page 1

the nationalist fervor that swept the country in the wake of the tests.

influence at the World Bank to cause an "indefinite delay" in \$865 million in leader of Shiv Sena, Bal Thackeray, that loans for the upgrading of India's badly outdated, vastly underpowered electricity grid and other development projects, a first step in applying American economic sanctions that some econo- Islamabad's alleged support for Muslim mists in India and abroad believe could rebels in India. end up costing India as much as \$20billion in aid and investment.

markets, with the Indian rupee plunging to a record low on news of the World Bank measure, while the Bombay Stock Exchange fell 2.6 percent, Agence France-Presse reported from New Delhi.] these forces have recently acquired. Although Prime Minister Atal Be

France and Russia, have refused to join nomically for the tests.

happened on Tuesday within a few ki- country. lometers of the Indian Parliament. With temperatures soaring above 115 degrees intolerance of Hindu fundamentalism." Fahrenheit (46 centigrade) and large parts of the city going hours and even days without electricity because of antiquated power stations that are overwhelmed by summertime demands, angry crowds stormed several electricity substations in the city, smashing equipment and abusing employees of the state-owned power utility.

In what many Indians considered an even more powerful indicator of the public mood, several local offices of the main Hindu nationalist group, the Bharatiya Janata Party, whose parliamentary leader is Mr. Vajpayee, were attacked and in some cases burned.

At the least, the attacks suggested that joined in the protests have rapidly set defended some of the attacks. aside whatever enthusiasm they may have felt for the Vajpayee government in the aftermath of the nuclear tests.

■ Shift in India Nuclear Doctrine

Kenneth J. Cooper of The Washington Post reported from New Delhi:

India on Wednesday revised a blanket declaration that the nation would not use nuclear weapons first and instead offered to negotiaté such bilateral agreements with Pakistan and other countries. The shift in India's developing nuclear doctrine was made in a policy paper that the government submitted to Parliament.

In the 10-page statement, the government said that in 1994, India had proposed a treaty with Pakistan barring a nuclear first strike. At that time, the possessed an undeclared capacity to build nuclear weapons.

first use' agreement with that country, as aster waiting to happen. also with other countries bilaterally, or in a collective forum," the government

The policy shift appeared to be a bid to engage other countries in negotiations in order to demonstrate that India has acquired more international importance as a declared nuclear power.

The same purpose appears behind an earlier offer to negotiate a formal moratorium on further nuclear tests even though the Comprehensive Test Ban Treaty virtually precludes any amend-

and destroyed last week by Hindu mobs protesting U.S. sanctions imposed on India for its decision to test nuclear weapons this month.
Shiv Sena, the militant Hindu party

that governs Bombay, has been accused In the past two months Hindu militant of behaving like "moral police" for roups have targeted the house and work issuing "dos and don'ts" about rock music shows.

Although much of the muscle-flexing is confined to Bombay, which in recent years has lost much of its liberal sheen, the trend is spreading.

Activists allied to the governing

Hindu nationalists barged into M.F. drinks Coca-Cola and Pepsi were looted Hussain's house May 1 and destroyed some of the artist's paintings to express their anger over an old sketch that depicted a Hindu goddess naked.

That Mr. Hussain is Muslim only worsened matters. The attackers belong to Bajrang Dal, which was involved in the 1992 razing of a 16th-century mosque in India that sparked bloody clashes between Hindus and Muslims. But more than the attack — the third On Tuesday, the United States used its on Mr. Hussain in two years - it was the

> Four days earlier, Shiv Sena broke up a Bombay show by the Pakistani classical musician Ghulam Ali to protest

support of the vandalism voiced by the

artists have alarmed us all," said a state- military officials he had emphasized the Timor's right to self-determination. [The uncertainty spread to financial ment by a group of Indian artists after the need for all the detainees to be released. arkets, with the Indian rupee plunging to attack on Mr. Hussain's house. "But this "The goodwill from releasing pris-

rresse reported from New Delhi.]

Mr. Vajpayee and other government leaders have brushed aside the impact of sanctions, noting that many nations. in
Although Prime Minister Atal Behari

Vajpayee, a Hindu nationalist known for his secular views, condemned the attack calling for political prisoners to be freed, on the Pakistani musician his two many nations. sanctions, noting that many nations, in- on the Pakistani musician, his two-month-

of cultural regimentation, people of In-dia are not going to tolerate it, 'Ambika Analysts said that Mr. Habibie, the United States in punishing India eco- dia are not going to tolerate it," Ambika Soni of the opposition Congress (I) Party But more ominous from the viewpoint said of the government. "Such actions of the Vajpayee government was what will break up the very fabric of this

> The Communist Party of India-Marxist said such "fascistic behavior" was seeking to force artists to fall "in line with the communal ideology of the rul-

> ing party."
>
> The widespread condemnation did not deter the Hindu groups. Extremists disrupted a meeting this

> month of Indian scientists in the southern city of Bangalore for criticizing the government for conducting five nuclear explosions. Isolated attacks have also been re-

> ported on Christian groups in two states governed by Hindu nationals. The Vishwa Hindu Parishad, or

World Hindu Council, which is linked to traders, homeowners and others who Mr. Vajpayee's Bharatiya Janata Party, "I admit they are not good in a demo-

cratic set-up," said Vishnu Dalmia of the organization, "but can Hussain offend the religious sensibilities of Hindus?" We do not approve of the attacks on

Coke and Pepsi trucks and on scientists. Some local people may have done it." he added. "As far as Hussain is concerned, you cannot control people's anger."



Representative Christopher Smith addressing Xanana Gusmao, left, and other political prisoners in a had deserved a big break for being "the Jakarta jail on Wednesday. The U.S. legislator urged Indonesian leaders to release all 200 political detainees."

TIMOR: Jakarta Feels Pressure to Resolve Issue of Annexed Area

Continued from Page 1

Mr. Smith, who is chairman of a House of Representatives subcommittee on human rights, said that in his talks with Mr. 'The increasing attacks on the arts and Habibie and other senior civilian and

attack on Mr. Hussain's house. "But this invasion of the private space of an eminent citizen shows the brazen confidence these forces have recently acquired." "The goodwill from releasing prisoners could be undone if it is not done in a thorough way," the New Jersey Republican told Reuters.

a clear timetable for fair elections, an cluding four of the five established nu-clear weapons powers, Britain, China, "If they are going to impose any kind dialogue on the political status of East end to restrictions on the opposition and

widely regarded as a protégé of Mr. Sunarto's, was moving quickly to distance himself from his unpopular predecessor and had acknowledged the Communists called the action "rabid need to implement sweeping political reforms if Indonesia is to get urgently needed aid from the International Mon-

British family this year.

were still being held.

3 BBC Journalists Detained in Yemen

For Going in Disguise to Forbidden Area

SAN'A. Yemen — Three BBC region of the Beni Dabiyan tribe. They

journalists have been detained in Ye- filmed members of the tribe that car-

men, the British embassy said Wed- ried out the kidnapping, and were de-

nesday, after reportedly dressing up as tained when they returned to the cap-women to film a tribe that kidnapped a ital, the source said.

David Pearce, deputy head of mission at the embassy, said, "Three jour-British teacher, David Mitchell, and

nalists were detained for going to an his family on May 3 after holding

Mr. Pearce added that the journa- abducted since 1993 by Yemeni

lists were detained on Tuesday and tribesmen. The hostages have been

A tribal source said the three jour- with the authorities, but have con-

nalists had disguised themselves as sistently been treated as guests and women after the Interior Ministry released unharmed.

the Habibie government was considering freeing Mr. Gusmao, who said in a rare interview with journalists Sunday that he was prepared to negotiate a settlement with Jakarta provided it respected East

would contribute toward resolution of the East Timor issues, the Australian government would clearly welcome such a decision," Mr. Downer said.

Prime Minister John Howard of Australia said Monday that the annexation of East Timor was a major international problem for Indonesia that Mr. Habibie. who replaced Mr. Suharto as president last week, must tackle.

"It remains a major irritant to the rest of the world and legitimately so," he said, "and it would obviously be to the increased reputation of the Indonesian government, and it obviously would be well received, if there were movement in that direction in East Timor.

As many as 200,000 East Timorese, etary Fund for its stricken economy.

In Canberra, Foreign Minister Alexreported to have died after the Indonesian

denied them permission to travel to the

The Beni Dabiyan in the Dhamar

them hostage for almost three weeks.

used as bargaining chips in disputes

More than 115 foreigners have been

ander Downer said he understood that invasion, mainly as a result of famine. Although Jakarta subsequently did much to develop East Timor, which had been neglected by Portugal, the Indonesian military has been frequently accused of human rights abuses there, including rounded by survivors of the bombing. killings, torture and kidnappings, as it "The Australian government's view attempted to wipe out East Timore is that if Xanana Gusmao's release guerrillas fighting for independence. attempted to wipe out East Timorese

The reports of abuses led to international campaigns against Indonesia and pressure on foreign governments to block aid or military assistance. Jakarta has al- Nichols, but he had kept silent about the ways denied charges of systematic abuses in East Timor, instead blaming rogue soldiers acting in defiance of orders.

the new Indonesian justice minister, Muladi, said Sunday that it was time Jakarta took a new approach to East Timor.
"We should change our position,"

Mr. Muladi said, suggesting that Indonesia's 27th province could be given special status with more autonomy.

But diplomats cautioned Wednesday

that any move to free Mr. Gusmao and today. open negotiations with him and other representatives of the East Timorese could be blocked by the powerful military, which fears that even giving special with a history of separatism, such as Irian Jaya and Aceh, to break away.

Mr. Downer said Canberra wanted Jakarta to reduce its military presence in East Timor and give the East Timorese "a much greater say in the management of their own affairs."

cluding the United States, follow the lead and Nichols.

Nations and the European Union to free finance the bombing. Mr. Gusmao and other political prisoners from Indonesian jails.

munity," he said.

Witness Gets 12 Years in Oklahoma **Bomb Trial**

The Associated Press OKLAHOMA CITY - Michael Fortier, the government's star witness in the Oklahoma City bombing case, was sentenced to 12 years in prison on Wednesday for not warning anybody about the plot as it took shape and lying to the

He was also ordered to pay \$200,000

Judge G. Thomas Van Bebber of U.S. District Court imposed the sentence after hearing pleas from victims' relatives to give Mr. Fortier the maximum — 23 years in prison — for doing nothing to stop the bombing that killed 168

people.

Mr. Fortier's lawyers had argued that against Timothy McVeigh and Terry Nichols. The defense asked for less than four years in prison; he has already served nearly three years.

"Dear people of Oklahoma, I offer my apology and ask that you forgive me," Mr. Fortier told the courtroom before learning his sentence. His wife, Lori, wept on a courtroom bench sur-

"I shamefully admit I've broken many laws," Mr. Fortier said. "My actions and inactions have hurt many

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Mr. Fortier was the key government witness in the trials of Mr. McVeigh and plot to bomb the Alfred P. Murrah Federal Building until after the attack.

"He maintained his misplaced loyalty Mr. Howard made his comments after to his vicious colleagues," Marsha Kight told Judge Van Bebber.

"All Michael Fortier needed to do was take some responsibility and call,' said Constance Favorite, whose daughter, Lakesha Levy, a U.S. Air Force airmanwas, was among those killed in the bombing. "One call and we wouldn't be hurting the way we are

Mr. Fortier wiped tears from his eyes and grimaced with emotion as Donna Hawthome, a fifth-grade teacher, told the court about her husband, Don, who autonomy to East Timor could encourage died in the bombing. "I loved everyother outlying parts of the archipelago thing about him," Mrs. Hawthorne

They were among 16 victims who testified Wednesday.

Michael McGuire, a defense attorney, argued in a brief filed Tuesday that "Mr." Fortier was the best, the most damning, the most direct and the only witness who Australia is one of the few Western could provide direct evidence of the nations to recognize Indonesian rule in planning, preparation, motivation and East Timor. Most other countries, in-

of the United Nations, which still regards
Portugal as the administering authority.
Prime Minister Antonio Guterres said
late Tuesday that Portugal was leaved. late Tuesday that Portugal was launch- mitted hiding evidence and trafficking in ing a fresh diplomatic drive in the United guns the government says were stolen to

Mr. McVeigh was sentenced to death on his conviction in the bombing. Mr. "We are making every effort to mo- Nichols will be sentenced June 4 on bilize the international diplomatic com- conspiracy and eight counts of involuntary manslaughter.

In Secret NASA Report, Fears About Mir

area where they had not been allowed

to go, but we are sorting it all out."

By William J. Broad New York Times Service

NEW YORK - Fearful that Amerregional archrivals knew that the other ican astronauts might die if they stayed including the routine leakage of large aboard the Russian Mir space station, the top safety official for astronauts at the ican astronauts have had to mop up. "The government on this occasion Johnson Space Center in Houston asreiterates its readiness to discuss a 'no sailed the East-West program as a dis-

> Russian outpost suffered a fire, a collision and a series of major equipment failures last year.

> "Mir is crumbling," Colonel Blaine Hammond of the air force told spaceagency investigators, saying in two blunt letters that he had "grave concerns" for the safety of American astronauts.

His letters, made available to The New York Times by ABC News, which Time Live," mark the first time the return to Earth early next month.

from within the normally laconic as- teamwork was to determine how well tronaut corps. The letters also give a Americans and Russians could work torevealing portrait of Mir's hidden woes, gether on the new outpost in space. amounts of dangerous fluids that Amer- detailed in letters last July and October to

the lessons" of the beleaguered East- ation had come to overshadow judgments West endeavor, said Tom Henricks, a of technical safety and integretiy.

Washington, he said, was pushing co-His secret assessment was given to retired air force colonel who left the space agency officials shortly after the space agency in October after four shuttle space agency in October after four shuttle The main lesson, he said in an in-

terview, is that, "We can't rely on the

Officials of the National Aeronautics and Space Administration deny any disparaging of safety judgments or lessons. and say that a total of seven American astronauts have now worked aboard Mir productively in the past three years. The revealed them Wednesday on "Prime last, Andrew Thomas, is scheduled to

public has heard such loud cries of alarm The main purpose of the Mir phase of

A main charge of Colonel Hammond's, the office of the NASA's inspector-gen-"We haven't paid much attention to eral, is that politics of East-West cooper-

operation as "a welfare program" for the Russians "so they won't need to sell their nuclear weapons.

"I believe the American people would never tolerate simply giving the Russians \$400 million for that purpose," Colonel Hammond added, referring to American money given to Russia in the joint effort, but would accept it if it was disguised as a cooperative space program."

He stopped short of calling for the

program's end but asked for a sober reappraisal of the risks and benefits.



HAPPY TO BE HERE - Emperor Akihito of Japan, with Prince Charles, visiting Wales on Wednesday. British veterans of World War II Japanese labor camps jeered the emperor for a second straight day.

ficials said.

AMERICAN TOPICS

Colorful but Maybe Not-so-Wild West

Much of the colorful lore of America's Old West turns out, on closer examination, to be exaggerated, if not outright invented. Billy the Kid, for example, did not kill 21 men — it was more like four. And the real Butch Cassidy and Sundance Kid were two dumpy, unkempt men who bore no resemblance to Paul Newman and Robert Redford.

But then there was Judge Roy Bean, a grizzled bear of a man who ran the Jersey Lilly, a combination saloon, pool hall and courthouse in Pecos County, Texas. From that perch — the building bore the signs "Law West of the Pecos" and "Ice Cold Beer" — he dispensed a creative, pragmatic and sometimes hilarious brand of justice.

Judge Bean never attended law school, but he knew how to hold court, recounts Smithsonian magazine. "Hear ye, hear ye!" he would exclaim, banging his gun like a gavel on a beer-keg table. "This honorable court is now in session, and if any

galoot wants a snort before we start, let him step up to the bar and name his poison. The legal precedents he set were unorthodox. When a corpse was found near the Pecos River and

the judge declared, pocketing the money. When a highfalutin lawyer demanded that Judge Bean of cigarette or habitually placing any substance in the cheek for prolonged periods. to hang him for using foul language.
When Judge Bean arrived in that godless stretch

When Judge Bean arrived in that godless stretch of desert, the nearest courtroom was a week's ride away. To tame what a Texas Ranger called "the and its many imitations are charging prices that worst lot of roughs, gamblers, robbers and pickpockets" he had ever seen, Roy Bean was named judge in 1882. He had only three weeks' formal education, but could talk circles around anyone.

And somehow he did manage to impose a rough justice, always getting the last word. When one city slicker tried to appeal a fine before Judge Bean, the judge set his six-shooter on the bar. There is no appeal from this court," he said. "And that's my ruling."

Short Takes

A growing number of herbal substitutes for cigarettes and snuff are being sold in smoke shops and health food stores, aimed at people who want the look and feel of smoking or snuff chewing without the tobacco. The substitutes, containing brought back to the saloon, the man's pockets were found to contain \$40 and a pistol, "I hereby fine this corpse \$40 for carrying a concealed weapon," semble the real thing. Health officials caution,

Without the saloon the saloon, the man's pockets were everything from herbs to flower petals and lettuce, come in cigarette packs and snuff cans that resemble the real thing. Health officials caution,

once could have bought admission for the whole neighborhood. In Orlando, Florida - the nation's theme park capital — Disney, Universal Studios Florida and Sea World all charge \$44.52 for adult admission. Over the last decade, some parks have increased admission fees by as much as 75 percent. The higher prices have not hurt business, however. A record 167.2 million people visited the 50 top parks in North America last year.

According to a Wisconsin study of 100 bungee jumpers, leaping off a 130-foot (40-meter) platform with only an elastic cord tied around your ankles is not all that dangerous. Parachuting, pole vaulting and platform diving are harder on the body. "I give it an extremely clean bill of health," said Melbourne Boynton, the study's co-author. "The only problems are human error." Still, you

Brian Knowlton

KOSOVO: NATO Set to Deploy Around Province

Continued from Page 1

Slobodan Milosevic, the Serbian leader. Many Western officials fear that Mr. Milosevic is playing for time in talks with Ibrahim Rugova, a Muslim leader in Kosovo who advocates a peaceful solution based on

Western governments oppose the goal of independence sought by radicals in Kosovo, but they are also eager to prevent Serbia from carrying out ethnic cleansing there and rais-ing tensions in the Balkans that could affect relations between Greece and Turkey. Officials said that Western leaders were

hoping that the presence of NATO's large and successful peacekeeping force in nearby Bosnia would reinforce the credibility of the initial moves on Kosovo. The menu of measures will be announced in conjunction with a statement on Kosovo by foreign ministers of the 16 NATO nations

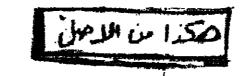
and the three countries that have been approved for membership, the Czech Republic, Hungary and Poland. All the European allies, including France, have fallen into line behind the U.S.-led plan for a NATO operation to create a cordon markably strong consensus on the need for some action in response to the deteriorating situation in Kosovo.' Russian officials met Wednesday with al-

lied ambassadors about the impending moves, and NATO officials said that the session "seemed to go reasonably well." Until now. Moscow, while reluctant to take even economic action against Serbia, has stopped short of open opposition to moves backed by the United States and its European allies.

The Clinton administration, reluctant to be involved in seeking a military response to the crisis as long as Washington was debating NATO's enlargement, joined key allies in looking for a response almost as soon as the

Senate voted ratification last month. Not all the steps being prepared for the direst contingencies are being disclosed, but the most immediate changes will occur in Macedonia, where the current U.S. force is to be expanded and ordered to start patrolling more actively along the Kosovo border, of-

Macedonia's population contains fervent supporters of the Serbian government in Belgrade and of the Albanian activists in Kosovo, and the government is eager to around most of Kosovo. The agreement on avoid arms traffic, guerrilla sanctuary or any NATO moves was reached after several other intrusion liable to give a foothold to weeks of what one negotiator called "re- Serbian or ethnic Albanian extremists.



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BOOKS

INTERNATIONAL

FREEDOMLAND

By Richard Price. 546 pages. \$25. Broadway Books

Reviewed by Michiko Kakutani

A DECADE ago, Tom Wolfe created a small literary storm when he declared that recent novelists had failed to grapple with the convulsive reality of contemporary America and that they needed to "head out into this wild, bizarre, unpredictable. Hog-stomping Baroque country of ours and reclaim it as literary property.

He was wrong then, ignoring a myriad of novels by the likes of Robert Stone, John Updike, Don DeLillo, Russell Banks and a host of others. And he is even more wrong today, as Richard Price's gripping new novel "Freedom-

land" so eloquently attests. Since his first novel, "The Wanderers," appeared in 1974, Price has been practicing his own tough brand of social realism, specializing in portraits that are

as unsentimental as they are capacious. With "Freedomland" - which is set in the same fictional New Jersey milieu as his last novel, "Clockers" - he has given us a big, einemascope thriller, a novel that captures the racial politics and media madness of the Age of O.J., a novel that transforms today's headlines

into a forceful, harrowing drama. "Freedomland" has the social detail (though none of the lugubriousness) of a Zola novel, the jazzy, synesthetic rhythms of a Scorsese film, the slangy street moxie of a Marnet play, and the dark, sardonic humor of Billy Wilder's classic "Ace in the Hole." Besides that, it's a terrific read.

The basic premise of "Freedomland" will immediately remind the reader of the scoop of her life; Lorenzo wants to dark mirror to our times. two high-profile news stories: Susan keep a lid on the racial tinderbox that is

Smith's phony assertion in 1994 that her two sons had been abducted by a black

Both of them will also discover that carjacker, and Charles Stuart's phony the Brenda Martin case has an acutely assertion in 1989 that his pregnant wife had been killed by a black assailant.

In "Freedomland," a young white woman named Brenda Martin tells the police that she has been carjacked by a black man who drove off with her 4year-old son, Cody, in the back seat. Her allegation immediately sets off a heated manhunt in a black housing project, which in turn sets off charges of racism and police brutality.

While this may sound like so much fodder for a television movie of the week, Price has not cobbled together a topical potboiler; he has used his keen novelistic eye to conjure up a richly textured world while using his tactical skills as a screen-writer ("The Color of Money," "Ransom," "Mad Dog and Glory") to create a fast-paced, tension-filled story

that reads like a movie in prose. One keeps on reading, less to find out whether Brenda is lying than to find out what consequences her allegations will have for everyone around her.

Price cuts back and forth between the points of view of two central characters: Detective Lorenzo Council, a big-hearted, effusive man, known as Big Daddy around the projects for his tireless, avuncular presence, and Jesse Haus, a scrappy young reporter who lives off the police scanner, eager "to witness, to absorb, to taste human behavior in extremis."

Both Jesse and Lorenzo, of course, are determined to chase down Brenda's story and find her son, dead or alive. But while their mutual quest for the truth makes them allies of sorts, they are motivated by very different ends; Jesse

personal meaning for them, that it will stir up emotions they thought they had long suppressed.

Price uses the stories of Lorenzo and Jesse to give the reader a wonderfully vivid insider's view of the methods used by the police and reporters, and to explore both their own psychology and the psychology they practice on others.

His narrative is also peppered with the sort of telling details that make palpable the nervous arc of a crime investigation and the media storm that so often follows. delineating the frightening, snowballing rush of incident and outrage that unfurls after Brenda's charges, enough fodder "for a dozen more marches, charges, countercharges, commissions, investiga-tions, indictments, headlines, midnight

negotiations and political swap meets." Price shows us the roiling anger in the black housing project of Armstrong, as white police officers sweep through its streets in search of Brenda's carjacker. He shows us Lorenzo's increasingly fevered efforts to contain the emotions

of cops and agitators alike. By the end of this novel, the reader has not only been thoroughly immersed in the story of Brenda Martin's missing child and the fallout of her allegations, but initiated, as well, into the history of this fictional New Jersey community and its legacy of crime and grief and rage.

Though there is a slight falling off at the end, a toying with sentimentality in the book's final pages, with "Freedomland" Price has written his most powerful novel yet, a novel that in wrestling with what Tom Wolfe calls the "rude wants to beat out the competition, to get beast" of millennial America, holds up a

U.S. Begins to Trim Forces in Gulf

By Dana Priest Washington Post Service

WASHINGTON - The Clinton administration, which sent dozens of extra bombers and thousands of soldiers and sailors to intimidate Iraq during a showdown in the Gulf in February, has begun withdrawing the additional forces and returning to precrisis" levels of military strength in the region.

The reduction in American military power in the Gulf reflected an assessment that the crisis with President Saddam Hussein's government has subsided now that Baghdad has renewed promises to cooperate with United Nations weapons inspectors, according to Defense Secretary William Cohen.

At the same time, it responded to concern at the Pentagon that long-term deployment around lraq was stretching military resources and imposing difficult absences from their families for U.S. troops.

At the urging of the Pentagon, President Bill Clinton decided to reduce the number of U.S. military personnel in the region by roughly half and cut the number of aircraft carriers on station there from two to one, the Pentagon spokesman, Kenneth Bacon, said Tuesday.

Following the orders, the Independence moved out of the Gulf on Sunday, leaving the John Stennis and its battle group as the only carrier in the waters off Iraq for the first time since the crisis early this year.

Also going home, defense officials said, are 36 fighters and their support aircraft, which will fly back to the United States from Bahrain. An additional six F-117 stealth warplanes are. leaving Kuwait, and six B-52 bombers and nine KC-120 tanker craft will leave the Diego Garcia Air Base in the Indian Ocean, the officials said.

The Gulf force will be reduced from its peak of 44,000 U.S. military personnel to about 19,000 soldiers, sailors and air force personnel. That is the number permanently stationed on

ships, air bases and other facilities around the region. The standoff eased when the Iraqi government allowed UN inspectors to search for documents at high-security "pres-

idential sites" at the end of February. But UN officials complain that Iraq has still failed to turn over all information about its weapons production efforts and proof that it has destroyed weapons known to have been

In that light, Mr. Bacon said Tuesday that U.S. forces would leave behind ships that will carry twice as many cruise missiles as they did during the Gulf War.

The United States will have "the ability to exert a swift and powerful strike if we have to, and also the ability to increase that cruise missile force very, very rapidly." he said.

Speaking to reporters traveling with him Monday in Chile, Mr. Cohen said it would take "just 48 hours" to "handle any situation that might develop in the short run."

Mr. Saddam, he added, "should take no comfort in the fact that we are rationalizing our force structure there consistent with the threat analysis. Tensions have eased somewhat."

Top Pentagon officials met last week with Mr. Clinton to make the case that the size of the force should be reduced, arguing that the deployment was putting a significant strain on manpower and equipment, defense officials said. In addition, such countries in the region as Bahrain, where additional U.S. military personnel and equipment have been stationed, were pressing Washington to reduce its troop presence, which is a sensitive domestic issue for Gulf leaders. 'There were many countries in the region that said, stay as

long as you need to, but not longer," an official said.

The forces were sent to the region in preparation for a sustained bombing campaign in the event Mr. Saddam con-

tinued to deny UN inspectors access to the sensitive presidential sites. With the agreement brokered by the UN secretary-general, Kofi Annan, there are no longer plans to carry out such a strike, Pentagon officials said.



A U.S. Marine signaling to colleagues on a landing craft during joint training exercises in Kuwait, where about 1.200 troops have begun deploying from U.S. bases.

BRIEFLY

Italians in Somalia Exonerated

ROME — A government panel concluded Wednesday that Italy's contingent in Somalia did not systematically torture or sexually abuse Somalis during a relief mission

The episodes of violence were sporadic and isolated," the commission said in its final report. The panel's conclusions mirrored those reached by earlier inquiry last year. The investigation was reopened after the diary of a military police officer and shocking photos came to light in August describing abuses by Italian troops, from rape to black market deals in guns, drugs and ivory.

The Italian Defense Ministry said Wednesday that it had sanctioned 13 officers as a result of the two inquiries, but it refused to give details.

Mexico Renews Pledge to U.S.

WASHINGTON — The Clinton administration said that President Ernesto Zedillo of Mexico pledged continued anti-drug cooperation despite anger over a U.S. money-laundering sting that took Mexico by surprise.

The promise came when Mr. Clinton called Mr. Zedillo on Friday to express regret for not consulting Mexican authorities during the three-year undercover operation that ended last week with 160 indictments, the White House said Tuesday.

For the Record

President Daniel arap Moi of Kenya fired an outspoken assistant agriculture minister, Kipruto arap Kirwa, on Wednesday, the state radio reported. No reason was given for the president's action.

Colombia's largest rebei army pledged Wednesday not to sabotage by violence what it branded the "villainous and deceitful" presidential elections scheduled this weekend. Revolutionary Armed Forces of Colombia guerrilla chiefs, however, called on voters to abstain and instead forge grass-roots democracy by setting up "people's councils" at the local level.

BRIDGE

By Alan Truscott

B EFORE the final deal, at losers and no guarantee of 10 lead a diamond originally but Christian Mari.

the Cavendish Invitation—winners. But the favorable also missed a second chance al Pairs in Las Vegas, Bob layout in the major suits per- when regaining the lead with Hamman and Nick Nickell were leading their closest pursuers, Zia Mahmood and hearts for a score of 130. Steve Weinstein, by 63 imps. But since each result was compared with 27 other tables, this was the equivalent of 2.33 imps in a normal

North-South cards have 26 points but no hope of game. In the auction shown, Zia opened the South hand with one club and heard a weak jump overcall on his left. Weinstein as North bid three diamonds to show a strong club raise, and game. In some cases this Moss and Fred Gitelman, 4. the partnership did well to put happened

tricks, three spades and two

This seemed a very good result, since it seemed likely that North-South at other tables would attempt a game fell further behind. and fail. That was true up to a competition, a trivial margin. point, especially when North-It can be seen that the South were using a weak no-

trump. Hamman and Nickell defeated three no-trump by two tricks, and 14 other East- ceived \$185,886. Slight dif-West pairs had plus scores. North-South pairs made the numbers. Smaller sums went

mitted South to score five club the spade ace. There were almost as many plus scores for North-South as there were for East-West, and Hamman and Nickell gained 141 imps. Zia

Hamman and Nickell and their backers collected \$289,156, mainly from the Calcutta pool. Zia and Weinstein and their supporters referent results in the last deal But, surprisingly, six would have reversed these unmakable three no-trump to the other pairs: third, Brad 3 v because South fourth, Steve Garner and

on the brakes in four clubs. opened one diamond using the Howard Weinstein; fifth, Ro-Even this contract was not Precision System, and their ger Bates and Jim Robison; safe, for there were three top opponents not only failed to sixth, Paul Chemla and

most as many plus scores for North-South as there were for East-West, and Hamman and	♥ Q 9 4 ♦ Q 3 ♣ K J 10 9 7
Nickell gained 141 imps. Zia and Weinstein gained 44 and fell further behind. Hamman and Nickell and	WEST EAST ♦ 105
their backers collected \$289,156, mainly from the Calcutta pool. Zia and Wein- stein and their supporters re- ceived \$185,886. Slight dif-	SOUTH(D)
ferent results in the last deal would have reversed these	North and South were vulners The bidding: South West North Ea



step keinstaki. Wereldtentoonstellingen

Invitation for companies to participate in the realisation of parts of the Dutch pavilion at the World Fair EXPO 2000 Hannover

Foundation Holland World Fairs is requesting (inter)national companies to provide their company profile in order to qualify for turn key assignments for the content of the Dutch pavilion of the world fair in the year 2000, to be held in Hannover, Germany. These turn key assignments include the design and construction works for exhibition(s) or the writing of the scenario, direction and production of the film and/or video, and/or the multimedia programmes.

The global theme of this world fair is 'Man, Technology, Nature'. The Dutch pavilion will contain five floors, situated in a large open 'garden', close to the main Expo Plaza. The theme of the pavilion will be 'Holland creates space': space for innovation, for different lifestyles and ideas, for new solutions to the challenges of high density living, and for new forms of nature and technology. These themes will be communicated by exhibitions and/or multimedia programmes and an innovative film and/or video production.

Responding companies should:

- · be experienced in effective communicating through exhibitions and/or multi-
- media and/or film/video to a diverse audience be experienced in forming a consortium to execute turn key assignments in either
- exhibitions and/or multimedia and/or film/video
- have participated in large projects like this before be able to integrate the Dutch culture in their design.

In case your company is interested to participate in a competition for these various turn key assignments, please send the following company information by June

22nd, 1998 at the latest: • history, name, address, number of employees/partners, detailed description

of previously related work

 financial data: revenue and profit of last five years visual material to support your qualifications

Foundation Holland World Fairs, EXPO 2000 Hannover, with reference to: Qualification Plein 1813 nr. 5, 2514 JN Den Hoog, The Netherlands Postbus 20009, 2500 EA Den Haag, The Netherlands

Material received after June 22nd, 1998 will not be taken into consideration.

Based on the received material a number of companies will be selected. By the end of June, these companies will be asked, based on a detailed briefing and for a fixed reimbursement, to develop a creative proposal and a project plan for the creation, production or construction of the exhibitions and/or the multimedia programmes

and/or the film/video productions. Correspondence about the selection will not be considered.

KAZAKHSTAN INVESTMENT SUMMIT

Almaty, June 4-5, 1998

If you are interested in Kazakhstan's wide array of investment opportunities, the International Herald Tribune's Kazakhstan Investment Summit will give you valuable insights and an inside edge.

H.E. President Nursultan Nezarbayev will give a keynote address at the Summit. Other speakers will include key members of Kazakhstan's national and regional governments, as well as financial, business and political leaders from around the world.













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A Powerful Call

Hong Kong's first legislative election under Chinese sovereignty was encouraging. Voter turnout on Sunday was high and a large majority of ballots were cast for candidates from democratic parties. That should be read as a powerful call to restore the democratic electoral system that was developing during the last years of British rule but was dismantled after the transfer to China last July. Hong Kong's chief executive, Tung Chee-hwa, should respond by expanding the number of democratically elected seats.

Sunday's results illustrate the unfairness of the present system.

Between them, the democratic parties won 55 percent of the votes but will hold just under 20 of the Legislative Council's 60 seats. That is because 40 of the council's members are chosen indirectly, by business and professional organizations or by a specially selected election committee. Plans call for gradually increasing the number of popularly elected seats.

Mr. Tung has so far managed to pre-

serve more autonomy for Hong Kong than many outsiders imagined possible. For the most part, Hong Kong's independent judiciary and free press have survived the transition, perhaps because the authorities in Beijing know that the outside world is monitoring China's promise to respect Hong Kong's economic and political freedoms. But there have also been disturbing trends, like increasing self-censorship of the press on issues like Taiwan and Tibet and a selective failure by government legal authorities to pursue cases against China's allies or interests.

Mr. Tung can offset the biased arithmetic of legislative seats by appointing democratic politicians to his executive cabinet and sharply increasing the number of people eligible to vote for the indirectly chosen legislative seats. But he should not stop there. Mr. Tung should demonstrate his faith in Hong Kong's autonomy by pressing for a swift passage to fully democratic elections.

-THE NEW YORK TIMES.

Talking About Kosovo

American prompting made possible a welcome first meeting between the Ser-bian strongman Slobodan Milosevic and Ibrahim Rugova, leader of the in-dependence-seeking Serbian province of Kosovo. The two men began talks. May 15 to see if there is a peaceful way out of a conflict that is seething and could yet flare and spread from mostly ethnic-Albanian Kosovo into neighboring Albania and Macedonia and beyond. For a minute it looked as if the American diplomat Richard Holbrooke, negotiator of Bosnia's peace, was on the way to dousing another Balkan fire.

But last week the Serbs halted food convoys to Kosovo, and over the weekend Serbian special forces — ostensibly in response to the shooting of Serbian police by guerrillas of the Kosovo Liberation Front — applied their typically harsh and indiscriminate tactics, and razed a Muslim village in southern Kosovo. Ill fit for counterinsurgency, the Serbian forces are in effect recruiters for Liberation Front ranks. The guerrillas do not answer to President Rugova, who pursues their goal of independence, but peacefully.

gotiations by, with the Europeans, suspending an earlier investment ban. It is weighing ways to work with the neighbors and with NATO to extend regional peacekeeping to the border between Serbia and Albania. With Europe it is encouraging parliamentary elections coming up this Sunday in Montenegro. another democratically assertive part of Yugoslavia. It has invited Mr. Rugova to Washington in order to demonstrate its favor for a negotiated solution.

The United States is trying to

strengthen the Serbian incentive for ne-

This is the fighting season in the rugged mountains of Kosovo and its environs. But it must become the talking season, too. The prime responsibility falls on Serbia, the regional player with most of the capability for war or peace in its hands. That means in Slobodan Milosevic's hands. The Kosovars can provoke but cannot by themselves prevail. Mr. Milosevic has the larger choice: to keep playing the nationalist card that has brought his people disgrace and disappointment or to use Kosovo as a path to a larger regional reconciliation.

THE WASHINGTON POST.

No Presidential Privilege

President Bill Clinton continues to wrap himself in his office - its special needs and prerogatives — as a defense against the inquiries of the independent counsel Kenneth Start. The courts continue to deny the defense, drawing what seems to us the right distinction between the office and the occupant. In an oud way, it is mey mat have become the protectors of the prerogatives the president has invoked, in that they have had to define them.

The latest example was last week's decision by Judge Norma Holloway Johnson, dismissing out of hand an as-serted "protective function privilege" whereby Secret Service members could decline to testify before the grand jury.

The judge found no such privilege anywhere in the law. To the contrary, she observed that executive branch personnel, and particularly law enforcement officers such as Secret Service members, generally are required to report criminal activity by government officials to the attorney general. Nor did she feel the public policy arguments advanced by the service in behalf of its position were strong enough to overcome Mr. Starr's need for the testimony.

She agreed a president has to have confidence in the discretion of the Secret Service in order to grant it the proximity it needs to protect him. But "the court does not accept the suggestion that the possibility that agents could be compelled to testify before a grand jury will lead a president to 'push away' his protectors," she wrote. "When people act within the law, they do not ordinarily push away those they trust or rely upon for fear that their actions will be reported

to a grand jury. It was not clear to her that a president would "push Secret Service protection away ... even if he were engaged in personally embarrassing acts," and in any case, she noted, "such acts are extremely unlikely to become the sub-

ject of a grand jury investigation. Even in this case, for example, having to do with Monica Lewinsky, the issue is not the relationship the pres-

ident may have had with the White House intern. It is whether he subsequently lied about it under oath and

sought to induce her to do so.

The presidency is not threatened by this decision. That is especially so because the problem can arise only in a case in which an independent counsel nas deen named. Otherwise, it would be up to the administration itself - the Justice Department — to decide whom to call before a grand jury.

Judge Johnson also recently has and rightly, in our view - set aside a claim of executive privilege in the Lewinsky case, and the White House earlier lost, all the way to the Supreme Court, a claim of attorney-client privilege in a case in which White House lawyers were helping defend Hillary Rodham Clinton against a suggestion of personal misconduct. It is true that it is hard to distinguish between the official and personal conduct of a president, his family and close aides.

It is likewise true that it is hard to distinguish between a legitimate charge of personal misconduct and a political attack. But it is not impossible, and the White House neither is nor ought to be a fortress. Our own sense is that the presidency will be more secure in the future, not less, if the Secret Service testifies in this case. - THE WASHINGTON POST.

Other Comment

Taleban Barbarism

The Taleban have stooped to a barbarous low by starving civilians in an attempt to defeat their enemies. The Islamic fundamentalists have blocked supplies from reaching the central Afnanistan region of Hazarajat, home to their ethnic foes, the Hazara people. United Nations officials say that the action of a government suppressing efforts to feed its own people is beyond

— Los Angeles Times.

Herald Cribune

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With Suharto Fell a Piece of U.S. Foreign Policy

BOSTON — In December 1975.
President Gerald Ford and his secretary of state, Henry Kissinger, visited President Suharto in Indonesia. They reacted with a nod and a wink to his plans to seize East Timor. The day after they left. Indonesian forces invaded the distant island, using American arms. In the invasion and ensuing occupation, a third of East Timor's 600,000 people died.

When it was pointed out that using American arms aid for aggression violated U.S. law, Mr. Kissinger reportedly told his staff: "Can't we construe [stopping] a Communist government in the middle of Indonesia as self-defense?" (East Timor was in fact remote from Indonesia, and its mostly Roman Catholic people wanted independence, not communism.)

That episode tells us that an element in American foreign policy also fell when Mr. Suharto resigned last week. He was one more in a string of dictators admired by U.S. governments but rejected, in the end, by their own people.

Mr. Kissinger was most closely iden-tified with the policy: the idea that America should support authoritarian rulers because they could assure staBy Anthony Lewis

bility. Thus Mr. Kissinger smiled on the shah of Iran, Augusto Pinochet of Chile, Yahya Khan of Pakistan and the like. But it has turned out that tyranny does not assure stability.

Democracy does. Mr. Suharto lasted very long time compared with other tyrants, 32 years. But eventually resentment of his kleptocracy - the corrupt enrichment of his children and other relatives — boiled over.

Mr. Suharto ruled by fear, as tyrants always do. Anyone who looked like a potential opponent was imprisoned or brutalized into silence. But that system of oppression stopped working, for reasons brilliantly described by a New York Times correspondent in Jakarta, Nicholas D. Kristof. What overthrew Mr. Suharto was

not a guerrilla insurgency, Mr. Kristof wrote, "but a conspiracy of far more potent subversives: capitalism, markets and globalization. ... Mr. Suharto's security forces never figured out how to handcuff them or torture

them into submission. ... His sophis-

night, but it was unable to discern bad

bank loans or prop up a tumbling cur-rency" (IHT, May 20).

Under the pressures of economic crisis, ordinary Indonesians, students especially, lost their fear of the regime. Protests continued even after troops made the mistake, fatal for Mr. Suharto, of firing on an unarmed crowd.

The events in Indonesia have also buried a theoretical justification of strongman rule. That is the notion that Asians prefer order to freedom, and that such "Asian values" underlie the region's decade of rapid economic

The economic miracle has come to an end in the Asian financial crisis. And political change, first in Thailand and South Korea, now in Indonesia, has shown that Asians do not really prefer to live under authoritarian regimes. They

want a voice, and they want freedom. The Indonesian story is not over. Will an aroused public be content with an anointed Suharto successor, B. J. Habibie, as president — and content to let the Suharto family keep its mono-

ricated military equipment can detect a guerrilla in the jungle of East Timor at unlikely lust as unlikely is Mr. unlikely. Just as unlikely is Mr. Habibie's ability to meet the international conditions that would stabilize Indonesia's currency.

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The larger implications of Indonesian events are for China. Its Communist rulers have maintained stability by rapid economic growth and tight political control. Indonesia shows the limits of that formula. Continuing stability will surely depend on the introduction of democracy in China, however gradual

There is also a lesson for the United States. Right up to the end, the Defense Department was training Indonesian units that specialize in the torture and 'disappearance' of dissidents.

Congress banned the U.S. training of Indonesian forces in 1992, but the training went on secretly until a victim of torture escaped and told his story this month, shaming the Pentagon into cutting off the program.

In the world as it is, America cannot deal only with nice guys. It needs good, relations with some undemocratic goveraments. But it does not have to con-; done savagery, much less assist it.

The New York Times

Hong Kong's Message: The People Want Democracy

By Esther Lam and Robert Stone

TONG KONG - Braving I tropical thunderstorms that caused traffic disruptions and widespread flooding, Hong Kong voters turned out in record numbers to cast ballots in Sunday's first Legislative Council elections under Chinese rule.

This was despite the fact that for ordinary voters, the exercise was to choose only 20 directly elected representatives from the total of 60 seats being filled. The remaining two-thirds of the law-making body was selected by a complex system of "functional constituencies" and an election committee, the results of which were largely a foregone conclusion.

The system was designed to be a token exercise in democratic participation. But Hong Kong voters used their limited franchise to send a resoundingly clear message to their own government, the Chinese leadership and the world: They will be content only when their political system evolves into full democracy.

Almost all of the 20 elected members chosen were from the democratic camp. They made their top campaign priority a commitment to full democracy for the next election and the democratic selection of the next chief executive. Even the remaining directly

elected candidates - from the pro-China party, the Democratic Alliance for the Betterment of Hong Kong — have expressed varying degrees of sup-port for the idea that all Leg-islative Council members and the chief executive should be directly elected.

Martin Lee — the chairman of the Democratic Party, which took nine of the directly elected seats Sunday — called the results a triumph for Hong Kong's people. He said that through their votes, Hong Kongers had told China's leaders and the rest of the world that they want democracy and are

Hong Kong's chief executive, Tung Chee-hwa, however, put a different spin on the outcome. He maintained that the record voter turnout reflected the people's love for Hong Kong. This showed, he said, that the public supports the government's arrangements for the election and has full confidence in the way China's "one country, two systems" policy is being implemented.

In response to questions from the media about the future pace of democratization in the territory, Mr. Tung made it clear that progress would be slow. He was immediately chided by Mr. Lee, who warned the chief executive not to go against the will of the population. Mr. Lee noted that Mr. Tung had no mandate from the people, and added that a chief executive who led Hong Kong in an undemocratic way was dangerously out of step with public

Once in office, the new Legislative Council members will find themselves extremely restricted when dealing with Hong Kong's affairs. Under the British colonial government. members of the legislature were not allowed to introduce bills concerning public expenditures. That curb still stands:

Now, however, under the Basic Law that serves as Hong Kong's constitution, two further restrictions have been imposed. First, private members' bills cannot deal with the political structure or the operation of government; if they do, they must have the written consent of the chief executive. (Any legislation in Hong Kong not introduced by the government is automatically classified as a

'private members' bill.'') Second, before a private members' bill can become law, it first must be endorsed by two majorities in the Legislative Council whose votes are specifically divided for this pur- contributed this comment to the

Clearly the Indians are con-

this is the way to cut Pakistan

down, much in the way many

20 directly elected members plus the 10 chosen by the election committee. The other half consists of the 30 seats elected by the functional constituencies. The result: It is virtually impossible for the legislature to change or modify the policies of Hong Kong's executive-led government.

No matter how the high turnout in Sunday's election is rationalized, the 20 directly elected members of the Legislative Council are now the only ones in government with a mandate directly from the Hong. Kong people. As such they are morally the government of Hong Kong, relegated to the role of opposition.

Ms. Lam is a political réporter for the Hong Kong Eco-nomic Journal and Mr. Stone, is an assistant professor in the Department of Journalism and Communication at the Chinese University of Hong Kong. They pose. One half is made up of the International Herald Tribune.

The Powers Must Tackle the India-Pakistan Crisis Now

A RRABIDA, Portugal — It was evident from the lame deploring India's nuclear tests that the powers have not begun to think through the enormous

implications of those tests. That was reflected here, too, at the fourth Arrabida meeting, a weekend session in which former high-level leaders informaily discuss world problems under the auspices of the Portuguese Orient Foundation. But the strategic consequences of the tests are very dangerous, and it is urgent to work out plans to head off these consequences because they will affect much more than the Indian Subcomment.

The tests themselves are not

WASHINGTON — If only Leonard Bernstein

could see it: Gerry Adams in

Armani from Macy's, with all

the New York society babes

truly appreciate the Radical

Chic transformation of the

Sinn Fein leader as he makes

his U.S. victory lap this week.

hero by some and a murderer

by others, was dubbed "Ire-

land's Black Panther" by

In his essay "Radical Chic," Tom Wolfe skewered

the 1960s New York elite --

which included Mr. Bernstein

-who were then feting Black

Panthers, feeding them little

Roquefort cheese morsels off

silver trays held by uniformed

Now Washington, New York and Hollywood are

caught up in Irish terrorist

olutionary aura, that whiff of cordite," says one friend.

On Thursday the revolu-tionary socialist will stroll

through the New York Stock

Exchange with its chairman,

The 49-year-old, who is likely to be elected next month

to help run the new Northern

Ireland government, also has

set up meetings with top fin-

anciers and fund-raisers with

celebrities in New York. On

Friday he's going to the White

House to see the national se-

curity adviser, Sandy Berger

- with a probable Clinton

Anjelica Huston, Donald

Richard Grasso.

"Gerry has got that rev-

maids,

Vanity Fair magazine.

Mr. Adams, considered a

The late conductor would

chasing after him.

Ban Treaty as a recognized nuclear power. What matters is whether this means that Pakistan and India are about to launch another nuclear arms race just when the world thought the end of the Cold War had removed that menace.

Pakistan apparently has not yet decided whether to respond with tests of its own, although secret orders may already have been given. (India's preparations were unnoticed despite sophisticated monitoring by foreign intelligence.)

Some loud voices in New

Gerry Adams and Radical Chic

By Maureen Dowd

Trump and Martin Sheen have

all partied with Gerry. Adams

groupies include young Clin-

tonites who worked on the

dryly notes Mike Barnacle,

It was not long ago that Mr.

Adams was so isolated that his

voice was not allowed to be

broadcast on British or Irish

television or radio (actors

Trimble did not speak to, or shake hands with, Mr. Adams

during the Stormont talks

or during their "Yes" cam-

praised Mr. Adams, saying,

"He took his horse to the highest fence." Because the Sinn Fein leader is so smooth

and carefully calculating, the

official said, it is easy to un-

derestimate the difficulty -

and danger, in an organization

known to kill its own - of

keeping the cease-fire largely

intact while renegotiating Sinn Fein's traditional posi-

of ballet wounds from one as-

sassination attempt and the

memories of more recent ones,

the man who can never sleep

two nights in the same place,

faces more high fences on the

do is unparalleled in Irish his-

tory, trying to take an armed

revolutionary movement and

put it on the political path,'

"What this man is trying to

issue of decommissioning.

The man who bears the scars

tion of unity or nothing.

The Unionist leader David

top Irish official

spoke his words).

the Boston Globe columnist.

"He's their Ho Chi Minh."

Irish issue.

By Flora Lewis sign the Comprehensive Test too, have an established nuclear arms capacity. Home Minister Lal Krishna Advani took the occasion to issue ominous warnings to Pakistan about its support for militants in Kashmir, saying terrorism "will be crushed without false pity."

Internal pressures on Islamabad to test demonstratively are at least as great as external pressures not to do so. Sanctions are not going to reverse anything, and India may even see an interest in provoking equal sanctions against Pakistan, which they would

said Niall O'Dowd, publisher of The Irish Voice. "It didn't

work for Michael Collins.

Mr. O'Dowd spurred peace

by playing matchmaker between Sinn Fein and the

I talked to Mr. Adams at

Sitting outside the heavily

fortified stucco building, he

took off his sandals and green

socks to put balm on a wasp

bite he had gotten while walk-

hear," he said, about a hov-

ering British surveillance heli-

copter. Pointing to the window grates, he added: "There

were bomb attacks, rocket at-

tacks. See those marks in

He knows Ian Paisley wants

"My home was bombed,

to sabotage the new govern-ment; he knows prejudice dies

my wife and son were at home

when a hand grenade was ex-

ploded at the house," he said.
"So if I'm prepared to reach out the hand of friendship to

the people who did that, and

shot me, I think that gives me

some moral right to say to

others: 'Hey, let's get real

here. O.K., people got killed. We all lost friends.

Will there ever be a united

Does he dream of being the

Ireland? "I certainly think, if

God spares me, it will be re-

Taoiseach of a united Ireland?

'No, I will have retired grace-

The New York Times

united in my lifetime."

fully by then."

That's a chopper you

Sinn Fein headquarters in

There are enormous risks.'

White House,

Belfast last week.

ing in the hills.

the wail?'

Americans think it was Ronald Reagan's arms race that brought the collapse of the Soviet Union. Pakistan does not really stand to gain by following India's example, though like India it has made no formal nonproliferation commitments. It has long said it would sign the nonproliferation treaty only if

> A decade ago I asked the head of India's atomic energy commission if his country would not feel safer if both countries signed. He answered flatly that the problem was not India's fear of China, and I think that remains the case, but the impossibility of India's accepting an obligation that im-

plied parity with Pakistan. India and Pakistan are not equal — in size, in population, or in economic and military power - and India seeks recognition as the regional he-

Further, its new nationalist government is dominated by the Bharatiya Janata Party, which has long argued for Hinduna. open Hindu religious supremacy over the 120 million Muslims who live in India. Muslims in both India and Pakistan fear that the party's ambition is to restore the teras a Hindu rai.

Also, Pakistan carries the A was evident from the lame

fident they can win an arms hopes for a display of an "Is statement at the Group of Eight of great importance, nor is the Delhi seem to be goading the race, and the nationalist govthat there are 1 billion Muslims in the world.

If there is to be an arms race, Pakistan will surely turn = 19 China and India to Russia, the tacit alliances during the Soviet-Chinese confrontation. This would greatly magnify the problem

Today. Russian-Chinese relations are better than they have been for many years, but there are still major, long-term strategic issues dividing the two nations. Both would be better off if they prevented the India-Pakistan quarrel from exacerbating tensions in their

continues to play a balancing role in East Asia, could proposi to both and perhaps to other members of the UN Security Council that they make a joint coordinated effort to discourage this arms race. Perhaps the G-8 should be expanded to a G-10,

Meanwhile, it has been help, fully suggested that both the United States and Russia could advise India and Pakistan on the intricacies of deterrence and on how to make it work. But no amount of deploring or sanctions will undo the new knots in the global security situation that India has created. The geostrategists must get back to their drawing boards before the situritory of the British raj, this time ation becomes explosive.

MADRID - Marshal Primo Rivera, late Governor-General of the Philippines, made a

ministration. Speaking of the disaster of Cavite, he said: "The rag that they call the American flag shall never float over the walls of Manila." He concluded that the Americans would never become masters of the islands. as an immense majority of the natives would defend the sovereignty of Spain to the last.

1923: Turkish Settlers

village, which was deserted by its Greek inhabitants. It is not stated by what process of se-lection the mating couples will be chosen, but a leading worker among Turkish refugees will be present to advise these settlers in the early stages of their work.

ROME - Palmiro Togliatu.

Moscow-trained head of Italy & Communists, demanded that the Italian government protest "in the name of our national dignity" against the "Who," Who" of Communism. The list was issued by the U.S. House of Representatives Foreign Affairs subcommittee. It was part of a world-wide list de-signed to demonstrate that the international Communist movement is directed by "All old guard" of professional rev olutionaries. The largest single group on the 506-person he were the forty of Italy.

معدد من الاعل

143: ::: - -76 m 100

Company ... <u>k</u> . _

relationship.
The United States, which

with India and China. Flora Lewis.

IN OUR PAGES: 100, 75 AND 50 YEARS ACO

1898: 'American Rag'

speech in defence of his ad-

CONSTANTINOPLE - The Turkish authorities are making an interesting experiment in repopulating the abandoned villages. A colony of a hundred Turkish war orphans is being established in Yenikeui. There are to be an equal number of boys and girls, who will be married as soon as they arrive in the 1948: Red List Protes

ant Democracy

to the second

OPINION/LETTERS

Corporate Power? It's Actually Waning

By Robert J. Samuelson

Washington — We are witnessing an interesting collision between history herald a new era of menacing industry is far more compet-does Michael Eisner represent corporate power. The U.S. nive than before the breakup of Justice Department sues Mi- AT&T in 1984. Between 1984 crosoft for allegedly trying to and 1996. AT&T's share of monopolize access to the Inthe long-distance market had is that today's merger is often to insist on low prices. Here, seems) a new megamerger.

Chrysler and Daimler-Benz plan to unite in a deal worth about \$40 billion. Last year, American companies fragmented than in IBM's were involved in a record 7,800 mergers worth \$657 dominated. The packaged-billion, the Mergerstat Re- software industry for personal view reports. Big business computers has gone from alseems to be getting ever big-most nothing in 1980 to 7,800 ger and more powerful.

Well, not exactly. The correct lesson from history is just the opposite: Corporate power is on the wane. If this seems counterintu-

itive, it is also common sense. itive, it is also common sense. new technology (personal Big business has been brought computers and cable TV); to heel politically. Everything

Economic growth subverts overall corporate power.

from child labor to the environment has been regulated. typical market basket grows. Government is the final arbiter of business behavior, even if government is often arbitrary. icans now own more cars per ample, Congress is now hum- auto industry is shrinking as a bling the tobacco industry.

This is an old story. Less The Federal Trade Com-

the U.S. car market, with 80 percent of all sales. By 1997 to 61 percent. Japanese companies had 31 percent.

The three major television networks - NBC, CBS and America could plausibly sum-ABC — have lost their mon 10 or 15 top executives stranglehold on viewers. From for a chat. The notables would 1979 to 1997 their share of the include heads of auto, steel prime-time audience dropped and chemical companies, plus

sibility existed that the erosion was going to stop," Robert sent business thinking.

Iger, the president of ABC, recently said. "We were silly."

The White House still consults with corporate chief-

And there has been an explo-

sion of cellular companies. Despite Microsoft, the hition than true efficiency. computer industry is more heyday, when one company companies with \$30 billion in sales in 1997, says the Soft-

ware Publishers Association. We can all identify the major forces that have corroded corporations' market power: foreign competition (automobiles); the end of legal monopoly (telephones). But there is a less visible force that suband that is economic growth

As society becomes richer, people buy a greater array of goods and services. When the producers of traditional goods become less important. Amershare of national output.

recognized, or perhaps for-gotten, is the fact that compa-concentration of business asnies have also lost much mar- sets (buildings, machinery) ket power to set prices and among all companies. This determine what customers was one way to gauge the buy. Microsoft, if its critics economic power of big busi-Corroborating evidence abounds. Consider: nesses. Not surprisingly, the figures showed a gradual decline. In 1967 the 200 largest Until the mid-1970s, Gen- nonfinancial corporations eral Motors, Ford and controlled 41 percent of total Chrysler essentially owned assets; by 1988 that had dropped to 32 percent.

One consequence is that we their market share was down Americans no longer have a true business elite. Even in the 1960s, a president who wanted to talk to corporate from 91 to 49 percent, Nielsen Media Research reports.

"We used to think the pos"General Electric and IBM."

Although the Telecommu- obvious list, and the presumpnications Act of 1996 has not tion is gone that any group can

Hebron where a Palestinian

Israeli family that had owned

the land for centuries had had

it stolen from them the day

before. This was done with

armored cars and settlers but

with no shadow of legal jus-

of paper. Does Mr. Eldar con-

If, as they do, settlements

"obstruct any option of territorial compromise," how

can a plan that allows all of

them to remain produce a

Arafat recently told members of the Council on Foreign Rela-

tions in New York that such a

fact, as the director of the council wrote in Ha'aretz (May 12).

Mr. Arafat merely said that such

a plan could serve as the basis of

remain, the current system of apartheid on the West Bank

and in the Gaza Strip will be-

come permanent, with the Pal-

estinians segregated in a few

Bantustans. That would not be

a peace or a territorial com-

promise. It would be an abject

and unconditional surrender that would ensure the continuance of deep and fully justified

Old Isleworth, England.

Tips for Browsers

(Finance, May 20):

Regarding "Can Microsoft Put On a Friendlier Face?"

An administrative assistant

in Boston is quoted as saying

that he fears Microsoft is going

to take over the world and that

he would "switch in a heart-

beat" if only he knew of an

alternative. I can only assume

this person has not heard of the Apple Macintosh. Not only

does it do what Windows does,

but it does it far better and in a

Prevessin-Moens, France.

G. WYNFORD-JONES.

more user-friendly way.

IAN GILMOUR.

Palestinian rancor.

If all the Israeli settlements

plan remained acceptable. In

LETTERS TO THE EDITOR

Clinton and the Law

Regarding "Judge Allows Starr to Question Secret Service Agents" (May 23):

Judge Norma Holloway Johnson's ruling allowing the Secret Service to testify before the Start grand jury was a victory for the rule of law. The White House invoked done such thefts?

a nonexistent special "protective function privilege" hat read more like a proteclive cover-up of President Bill Clinton's alleged wrongdoing. The very nature of the defensive (i.e., obstructionist) posture of the White House practically assumes that Mr. Clinton has engaged in unsavory or illegal behavior that it does not want the public to know about.

Secret Service agents are sworn to defend the constitution and to uphold the law. Most important, their duty is to protect the president's life, not his lifestyle.

SCOTT LAUF. Ashbum, Virginia.

Israeli Settlements

Regarding "Peace Awaits Beyond Rancor" (Opinion, May 15) by Akiva Eldar, and Peace and Belligerent Set-Hements Are Not Compatible" (Opinion, April 27) by Monammad Tarbush:

'Mr. Eldar's article is yet another depressing example of Israelis trying to silence their victims. He complains that Mr. Tarbush selected "a very romantic description" of the pre-Israeli West Bank. In fact, Mr. Tarbush correctly pointed out that the West Bank used to be a beautiful, cultivated countryside that has now been ruined by Is-

rael's hideous sertlements. Mr. Eldar omits the crucial and undoubted fact that the Israeli settlements are illegal. They are also glaringly unjust. Israel's 1967 borders gave it some 77 percent of the land area of Palestine. To most people, to allow the Palestinians, the indigenous inhabitants, to keep 23 percent of their country would not seem excessively generous. Yet if the settlements remain the Palestinians will end up with very much less than that.

Besides, Israel is still creating new settlements. This

Bill Gates ought to change the name of his Windows 98 program to "Microsoft Net Browser With Some Additional Features.

BRIAN J. CAMPBELL. Wechelderzande.

and headlines. The headlines worked as planned, the phone "speak for business." Whom reason manufacturers have

except himself and Disney? Megamergers do not conternet, and every day brings (it declined from 88 to 54 percent. tomorrow's bust-up. Some bigness abets competition. mergers fail because they are driven more by personal am-

Chrysler and Daimler say they can save \$3 billion a year through joint engineering,

Today's merger is often tomorrow's bust-up.

purchasing and distribution. Will they? Or is theirs a marriage of convenience? Daimler's executives want to expand: Chrysler's may profit personally. The Wall Street Journal unkindly reported that the merger could make verts overall corporate power, the stock options of Robert Eaton, the Chrysler CEO, worth about \$100 million.

Some mergers may also be blatantly collusive. Corporate executives regularly complain about lost "pricing power" (this may be a reason inflation has stayed tame). What better way to restore it than by buy-Arnid all the mergers, for ex- household than ever; still, the ing a competitor? This is a genuine antitrust worry, but it

is wrong to see bigness and

consolidation as automatically anti-competitive. Sometimes it is the other way around. One held down prices is that their superstore customers -- the Wal-Marts and Home Depots tradict this picture. One reason — have the purchasing power

In truth, the inefficient firm, however big, is its own worst enemy. Its inefficiency curbs its power, Its products become vulnerable to competition; its managers become vulnerable to takeover. It is the big and efficient firm whose power expands, and this is why Microsoft so fascinates and fright-

"We live in a country that has always had an ambivalent relationship with centralized business power," says the historian Nancy Koehn of the Harvard Business School. Bill Gates is hostage to this history. We cannot abide a

ens -- because it may be both.

company as powerful as Mr. Gates's critics say Microsoft will become. If Mr. Gates is right -- if the technology is too unpredictable for any single company to dominate - then the market will erase the image of the menacing Microsoft. But if he is wrong,

Microsoft will be muzzled. If the courts don't do it, Congress will. We can't say how or when, but it will be done. Headlines aside, our history suggests no other possibility.

A Modest Proposal to Help Solve the Problem Of America's Lax Parents and Tiny Tyrants

C EBASTOPOL, California — For Some years there has been conflict between older women who were stayat-home mothers and their career daughters and sons about the rearing of their children. I, along with several other grandmothers of my acquaintance, believe that American children

today are being indulged. When we see these parents cater to their children - letting them interrupt any conversation at will - we view it as a failure of our own mothering. We

MEANWHILE

wonder what was wrong with the way we did it. Aren't our daughters smart, successful women who exhibit common sense? Aren't our sons decisive men?

We agree that it is a good idea to avoid spanking, but we would like to keep it as a sanction. The parent must run the show. That is what we grandmothers do not see happening. We dren, whom they staunchly defended cannot go backward to a time before as they sprang them from juvenile economic necessity dictated two in-comes per family, but we must go forward, away from these tiny tyrants. The conflict is no longer just familial. Public Agenda, a research group, re-cently published a report called "Kids These Days: What Americans Really Think About the Next Generation." The answer seemed to be: not much.

Younger children, ages 5 to 12, were seen by adults as acquisitive, lazy and 37 percent of Americans believe that The buck stopped with us. Whatever ment to The New York Times.

By Mary Ann Cantwell

when today's children grow up, they will make this country a better place. the report said in bold print.

Another sign that the conflict is going public comes from two news items

I would like about children who were arrested in incidents that the family would traditionally have handled.

In Pensacola, Florida, a 5-year-old girl was charged with assaulting a school counselor. In Miami, a 10-yearold boy in a pizza shop was arrested after he kicked his mother and a waitress called the police. The father of the 5-year-old pointed out that officials might have sought another solution before resorting to arrest.

Still, the parents' reactions were telling. In their anger at the authorities, they seemed to have forgotten to save some of their ire for their abusive children, whom they staunchly defended detention.

Another crotchety grandmother and I were having coffee the other day when she quoted her career daughter as approving of kindergarten because it provided structure for her child.

the teacher is earning the girl's respect while the parents are not?"

Then I had a moment of clarity. It was not that we were overly strict mosexuality: The Secret a Child Dare demonstrating a lack of respect. "Only mothers. We were full-time mothers. Not Tell." She contributed this com-

we allowed, we had to endure. I remarked to my friend that today's parents could not stand to be around their

toddiers 24 hours a day.

If they had them all day. my friend said, "you can bet they'd have a

I would like to suggest a disciplinary experiment short of arrest. Let one parent and a child spend, say, five days in a small structure or apartment that contains all the necessities of life but

The parent must run the show. That is what we grandmothers do not see happening.

few diversions. Books, certainly. Let them get to know each other. A oneway mirror might be useful. I'd like to

I don't think there is much chance of a parent's feigning control of the child to secure early release. They are too oblivious — parents are often unaware of what their children are perpetrating on them. But maybe, given enough time, they would learn how pleasant "Doesn't she realize," I asked, "that and rewarding it is to be the parent of a well-behaved child.

The writer is the author of "Ho-

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The one company with two names, that is.

For Sheldon Breiner, the Trove Is Olmec Figures

By John Markoff New York Times Service

RUZ de MILAGRO, Mexico — There would not be another miracle here today. In this Mexican village named for a cross that legend said was miraculously dropped here by an angel in 1905, the American geophysicist Sheldon Breiner stood at the lip of a gaping eight-foot-deep (2.5-meter) hole.

Holding the world's most sensitive portable magnetometer, a device that detects minute variations in the Earth's magnetic field, Mr. Breiner had hoped to find an ancient artifact buried at this spot, maybe a legacy of the Olmecs, one of America's first and most mysterious civilizations. After all, a stone figure of an Olmec prince was discovered by villagers while they were excavating for a water tank in 1961.

But using a magnetometer as an archeological tool to "see" human history buried beneath the ground is still as much an art as it is a science.

A meter below the surface was indisputable evidence of a civilization: A decidedly 20th-century metal pipe protruded from the side of the wall of the dig, a mute sign that even the most accurate magnetometer can only give the most general hint about what lies

R. Breiner's track record had usually been much better. A pioneer in the use of magnetometers in archeology, mineral exploration, earthquake detection, weapon detection, treasure-hunting and even military applications, he in the past three decades located two of the 17 so-called colossal Olmec heads that have been found so far.

The striking 2.5-meter- to 4.5-meterhigh basalt figures, some weighing as much as 14 tons, are the most remarkable artifacts of the Olmecs, an advanced civilization that flourished as early as 1500 B.C. in the humid, fertile coastal lowlands in what are now the Mexican states of Veracruz and Ta-

This year, Mr. Breiner returned to Mexico in late April to help archeolo- graphic Society.

ALT /Commentary

gists survey an untouched Olmec site known as Laguna de los Cerros. Mr. Breiner brought with him a \$25,000 cesium magnetometer built by Geometrics, the Silicon Valley company he founded in 1969.

Mounted on aircraft, magnetometers such as this one can detect magnetic variations as tiny as one part in 100 million. They have been used to find the world's largest reserves of oil, uranium and other minerals.

Mr. Breiner's magnetometer was a portable version, attached to a 2.5-meter-long pole and connected to a data recorder with a display screen. Carrying the pole, Mr. Breiner marched systematically through dense tick- and snakeinfested brush, building a record of the magnetic variations at each point in Laguna de los Cerros. An assistant who wielded a machete walked in front of him, allowing the survey to be made in an array of straight lines.

ATER, in his hotel room in the nearby town of Acayucan, Mr. Breiner uploaded the data into his portable computer, building a map of magnetic-force lines flowing through the alluvial soil that covered

'What Sheldon does with magnetometer technology is really important in the kind of environment that we have here, 's said Ann Cyphers, a research archeologist at the Institute of Anthropological Research at the University of

There are many areas of the world where rocky terrain or magnetic minerals would frustrate the magnetometers. Archeologists have therefore begun to rely on other high-technology imaging techniques, such as satellite-based radar, to peer into the Earth.

But Veracruz, with its rich alluvial soil, is an almost perfect environment for prospecting magnetically for the large Olmec stone figures.

We hope that someday we'll develop a sophisticated, nonintrusive archeology that will permit us to learn about these civilizations without disturbing them," said George Stuart, a staff archeologist of the National Geo-



Sheldon Breiner at an archeological excavation at Cruz de Milagro, using his magnetometer to analyze the site.

Standing atop the central pyramid looking south over what was once a broad plaza of the Laguna site, Mr. Breiner contemplated another riddle. Many years ago at the San Lorenzo site. an archeologist from Yale University. Michael Coe, found a thin polished piece of magnetite that he thought might have

If true, it would be a striking discovery, proving that the Oimecs had discovered the compass perhaps more than 1,000 years before the Chinese.

Mr. Breiner said the layouts of the Olmec religious sites may offer additional evidence supporting that theory. would be able to prove that each site had Although the sites were laid out in a been laid out pointing toward magnetic general north-south fashion, the lines north as it existed in antiquity.

diverged from true north, he said. This may have been because the Earth's magnetic north pole wanders slightly over thousands of years. Mr. Breiner hoped that by precisely measuring the orientation of each site, he would be able to prove that each site had

America Online: Spicier but Still Mild

Upgraded Software Offers Internet and E-Mail Novelties in Gentle Doses

By Seth Hamblin

Washington Post Service ost computer users either love or love to hate America Online, and version 4.0 of the online service's software does little to narrow that divide. But if you prefer a handholding approach to the on-line world and can stomach AOL's heavy dose

of advertising - the upgrade offers new reasons to log on.

Eventually, you will have little choice about using this software, but for the moment the next version of AOL is just an option - a "preview" release of it (the final stage in a protracted testing process that began last summer) is free for Windows-using subscribers to

The big change in 4.0 is the Internet's move to center stage. Before, you had to both Web and AOL stuff.

Whether you type in, say, the address for a Speed Racer Web page or the "keyword" for AOL's X-Files site, off you go directly to the AOL or Internet

ware. The formerly bland mail module, in addition to gaining a spell-checker, has been spiced up with the ability to use different fonts and colors and embed photos in text or use them as a back-

For example, you can go to the Spin site on AOL, pluck a Madonna album cover to use as a backer your e-mail, then write on it in red

cursive letters. But your inspiration may be wasted if you send the messages to someone outside AOL.: The jazzy messages show up

You can also use the colors and fonts in char-room messages. And both e-mail and the "instant-message" feature used to send private notes to other users -allow you to plunk in "hot text" Web

Two other conveniences in 4.0 benefit more sophisticated AOL citizens. The new software stores the full set of local access numbers on your machine; if you travel a lot, you'll save precious minutes each time you log in from a new

None of the new features puts AOL's general-purpose software ahead of popular, more specialized Internet tools such as Netscape's Web browser or

click on an icon in AOL's menu bar to launch a Web browser, where you then had to type in a Web address; now the main interface itself is a browser for

E-mail also advances in the 4.0 soft-

as plain text for folks not on the ser-

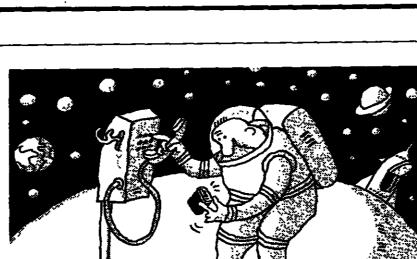
links from your "favorite places" list.

place by not having to dial a toll-free

line to look up new local numbers. The new ability to change screen names without logging off allows you to quickly slip into a new identity when you enter a pagan chat room or post to an argumentative political news group. It also makes it easier to keep separate personal and business e-mail accounts.

Qualcomm's Eudora e-mail program. But with more than 12 million subscribers to cater to, AOL is not some hip salon for people who like to live on the edge. Instead, consider it a comfy online living room with well-marked paths to - and from - the Internet wilderness. AOL 4.0 for Windows 95 and Win-

dows 3.1 is free to subscribers at keyword "preview." A Macintosh version is due later this summer.



Pagers Finally Get Their Due Their Brief Absence Made Americans' Hearts Grow Fonder

Washington Post Service TASHINGTON — Who knows but that the gods looked down from Mount Olympus last week and decided we weren't giving enough respect to the little helpmates that so faithfully serve millions of us, day after day. "Hermes," commanded Zeus, "go spin that satellite up there out

By John Burgess

of control. That will show them." So Hermes did, and the next thing we knew, most of the pagers on our belts and in our purses were useless. The Galaxy IV satellite failed, and in numbers too large to count, parents couldn't reach babysitters, patients couldn't reach doctors, clients couldn't reach lawyers, editors couldn't reach reporters.

A great collective whoop of panic and dismay went up across the land. The gods watched and had a merry laugh.

The news media write endlessly about cell phones and wireless modems and laptops that can shoot data through the air using infrared waves. But pagers, the original form of wireless communications that are now in a quarter of U.S. homes, get hardly a word. It's as if we want to punish the industry for inventing something cheap, simple and

reliable We think of them as never-changing devices. In fact, they have evolved constantly, making clever use of scarce radio spectrum, doing increasingly

complex jobs. Industry lore has it that a radio engineer named Charles Neergard got the ball rolling in 1949. He was a hospital natient and was tired of shouting down the corridor when he needed a doctor, so he thought: Why not use radio tech-

North America

Technology

Pacific Stock Exchange

Technology Composite

Standard & Poor's

nology to call them?

Early pagers were something like one-way CB radios, brick-sized things carried on the belt. As you went about your day, the voice of an operator chattered away on the unit, reading out messages. Not just yours, everybody's. You listened for your name. If you missed it, it was gone forever.

Later, pagers gained individual identities so that they could pull in just the message intended for them - that is, for you. Each one got an identification number that it listened for, ignoring messages that contained other pagers' IDs. It would beep when it heard its number being called, and you would find a phone and call an operator at a central number to get your message.

n the 1970s came tone and voice pagers — the tone would announce Lio you that a message was coming, then you'd hear it on the unit. In the early 80s came numeric pagers with little screens that gave you the number, then late in the decade, ones that could do messages as well.

Early pagers worked only in a single community. In time, they went national. The signals, relayed by satellite, would seek you out in several cities at once, blanketing the airwaves with the ID number that your unit would pull in.

The pager industry was a leader in the economic model that years later became the norm in telecommunications competition. Back when AT&T Corp. ruled coast to coast, paging was dom-inated by large numbers of mom-andpop operations duking it out in price and service. That is changing somewhat now, as companies in the \$4 billion-ayear industry consolidate, but you still

·5.31

TECHNOLOGY INDEX

have quite a bit of choice. For years, pagers were associated

with technicians and doctors; you wouldn't expect to see one on the belt of a corporate vice president. But business people eventually discovered the joys (in both the literal and ironic sense) of being always available.

Drug dealers also bought them, which is no surprise, because they are business people too. Their business just happens to be illegal.

The '90s saw the pager enter the home. The Personal Communications Industry Association estimates that about 34 percent of all pagers in the United States are for personal use. Boyfriend-girlfriend, husband-wife, mother-child -- the uses are endless.

Pagers have been integrated into the World Wide Web so that you can type a message on your computer screen and it magically appears on the pager's screen a few seconds later. Pagers have become minireceivers for information services stock quotes, sports scores and other tidbits of information are pumped out to the units over the airwaves.

The evolution continues. Today, 1 percent to 2 percent of pagers are two-way units. As we all know now, the great frustration of most pagers is that you don't know whether a message got through. Is so-and-so ignoring you, or simply unaware that you're eagerly awaiting a call? It's like pressing a doorbell button and hearing nothing. You just have to wait and see if somebody

Two-way versions send a signal back to confirm that the page got through. They also allow the pager user to send brief messages. There's a good case to be made, in fact, that the pocket computer-commu-

nicator that we all supposedly will carry around one day will come about not by dumbing down laptops, as many companies are trying to do, but by smartening up pagers. Okay, Zeus, are we showing enough

John Burgess is a computer colum-

nist at the Washington Post.

BRIEFLY

MICROSOFT GOES CORPO-RATE: Microsoft Corp., which already has a virtual monopoly on operating systems for personal computers, has announced a European alliance that will make it a formidable contender in the network operating systems that connect computers throughout a company. Microsoft said it had signed an agree-

ment with ICL PLC, a British information-systems developer, under which ICL would promote and market Mi-crosoft's products in the retail, government and education sectors throughout Europe. The agreement represents a major

inroad by Microsoft's Windows NT operating system into "enterprise com-' the large institutional netputing. works that connect computers throughout an enterprise. Enterprise computing has long been

dominated by the Unix operating system, and though the Unix market continues to grow, Microsoft has been capturing an ever larger chunk. ICL, which is 90 percent owned by Fujitsu Ltd. of Japan, operates in more

(NYT) CALLING CHINA: Siemens AG. Germany's largest electronics and engineering company, said it had set up a telecommunications joint venture in China with two state-owned companies. The company, known as Siemens

Communications Systems Ltd., or SC-SC, is expected to generate sales of about 470 million Deutsche marks (\$265.9 milion) within three years, Siemens said. The company, based in Chengdu in Sichuan Province, is to develop telecommunication networks primarily using fiber-optic and radio technology. Siemens holds a 50 percent stake in SCSC. The other partners are Chengdu

Posts & Telecommunications Equipment Factory and Chengdu Telecom-munications Cable Co. Siemens said the three partners would invest about 50 million DM in starting up the venture, which would create about 700 jobs. Siemens said the Chinese fixed-line telephone market was expanding at a rate of more than 20

million line units a year. (Bloomberg) ON THE MOVE: Meanwhile, the number of mobile-phone subscribers in China exceeded 16.7 million in April, making it the third-largest market in the world and giving it an annual growth rate of 150 percent, the Xinhua news

Most of the subscribers registered this year were GSM digital-phone users, bringing the number of such users to 10.18 million by April, the agency said. Xinhua quoted authorities as saying they expected China to have 20 million mobile-phone subscribers before 2000. (Reuters)

DELL DRIVES THROUGH EUROPE: European sales of Dell Computer Corp.'s equipment over the Internet are bootning and are expected to account for 15 percent of worldwide sales by the end of the year, a company official said last week.

"The percentage of total sales on-line is in the region of 8.5 percent in Europe, and we're looking to drive that to 15 percent by the end of the year," said Gordon Ballantyne, director of Internet operations at Dell Europe.

Dell launched 18 World Wide Web sites across Europe a year ago, and Mr. Ballantyne said European on-line business was rapidly catching up with that in the United States, where daily Internet

sales are running at \$4 million a day.
"We are less than 12 months behind the U.S. in terms of usage of Internet and the propensity of customers to buy on the internet," he said. (Reuters)

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Russia Struggles

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Kodak, Fuji and Others Bet on Internet Albums

> By Matt Richtel New York Times Service

ALO ALTO, California — The photographs show Catherine Stellin and her bean enjoying their vacation on a sandy beach in Mexico. But shortly after their recent trip, the young couple split up. Now they are fighting over custody of the vacation pictures — with a modern twist: They're not at odds over the actual photos, but over the password to view them.

They had signed up for a Kodak program to scan, store and display their photos on the Internet to show to farflung friends and family. But, well, you know how breakups can be.

"We're fighting over who gets the pass-word" to the Kodak account, said Miss Stellin, a marketing consultant in New York. "I want to give it to my mom, but he

says, 'It's not yours to give.'

The modern-day marriage of photographs and the Internet is here, offering convenience but also side effects peculiar to cyberspace. One thing is sure, though — the concept of storing and displaying pictures on-line is getting a big push from Eastman Kodak Co., its corporate partner Picture Vision Inc. and its arch-competitor, Fuji Photo Film USA.

Last week, Kodak announced a partnership with America Online Inc. to help promote its digital-photography business. Beginning this autumn, AOL's 12 million members will be able to drop their film off at conventional photodeveloping stores and then have the images digitized and delivered by e-mail. As with many loudly promoted aspects of the digital age, however, this

one still has some kinks. Some of the drawbacks of posting photos on-line are that the pictures can take a long time to view and download, the images shown on screen are often grainy, and, once a user has given out his or her password to someone, it is not possible to dictate which pictures that someone can see - or even to prevent

them from deleting some of the images.
"I thought it would be great to use it to order reprints, but the quality was so bad," Miss Stellin said. "It's a great idea, but there are still some quirks to work out.'

shops — working with Fuji or with Kodak and Picture Vision - are offering to scan pictures onto the Internet. They say the process is simple: When a customer drops off film for developing, he or she can pay extra to have the negatives scanned onto the Internet. The images remain on-line for as long as the person pays for the service, which

typically costs about \$4.95 a month. Kodak and the photofinishers say the key to getting consumers interested is to educate them about the benefits.

Bob Ditmanson, general manager of APS Photo Center, a photofinishing shop in Palo Alto, is skeptical, but he is covering his bets: He has just spent more than \$10,000 to offer PhotoNet, which is Kodak's on-line program. He said he believed the investment would pay off eventually, even though not many cus tomers at the company's four stores in the technology-conscious Silicon Valley area yet ask for the Internet option.

'We're looking at Kodak's marketing, and if they're going to push this, we hope to be there if it develops," Mr. Ditmanson said. In February, Kodak's chief competitor, Fuji Photo Film USA, introduced

Fujifilm.net, which works with photofinishers to scan negatives onto the Internet. For \$4.95 a month, the service will store as many as 125 images; each additional image costs one cent a month.

But Kodak has been the aggressor. In February, the company acquired a 51 percent stake in Picture Vision Inc., the dominant player in the field. Through PhotoNet, PictureVi-

sion has deals with 9,000 retail stores to scan negatives and store the images on the Internet. By the end of the year, Kodak hopes

to be offering the service at 30,000 to 40,000 retail outlets. Kodak acknowledges that its foray into digital imaging technology is in paran effort to take pressure off the rest of its struggling business. Fuji has battered Kodak in recent months in the film market; in April, Kodak announced its sixth consecutive quarterly profit decline. Kodak's digital business lost \$440 million last year, but the company in-

sists it is still a good investment. Americans will take some 20 billion pictures this year, and the industry will process more than 750 million rolls of film," Dan Carp, Kodak's president and chief operating officer, said. Now, he said, invoking the company's advertising slogan, "People will truly 'nake pictures further' than they ever imagined."

SITES

Kodak's Internet photo services can be found at:

www.photonet.com Fuji's Internet photo services are at:

www.fujifilm.net

Picture Vision's home page is at: www.picturevision.com

+239 Morgan Stanley 590.45 Ak. s Topix Electric 1822.17 Source: Morgan Stanley, Bloomberg News For technology articles from the past week, see the Technology Index on the IHT's World Wide Web site at http://www.iht.com. Articles include: PaAmSat Says Full Service Won't Be On-Line Research Gives Buyers Ammunition, May 25 Restored for a Week, May 22 Motorole Switches Its Bets on Satellites, May 22 EU Appears Set to Bar Digital-TV Venture. Zapata Goes Fishing but Fails to Land Excite, May 25 Sega Dreams Up New Video Game, May 22 May 26

Judge Sets Microsoft Trial Sept. 8, May 23-24

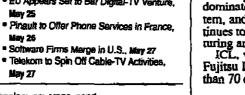
Cell Phones Raise Earnings at NTT, May 23-24

A glance at technology stock indexes around the world

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 Pentagon Bostters Anti-Hacker Defense, May 25 May 27 To reach TribTech editors or to comment on IHT technology coverage, send e-mail to mbtech @iht.com. ogal Heraki Tribune



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Herald Eribune

BUSINESS/FINANCE

THURSDAY, MAY 28, 1998

PAGE 13

For Emerging Economies, Crisis Isn't Just Asia's Problem

By Clay Chandler Washington Post Service

WASHINGTON — The financial contagion sweeping through Asia has jumped regional borders, battering markets throughout Eastern Europe, Latin America and Africa and provoking fears

veloping economies. Currencies in Mexico, Brazil, Singapore, Malaysia, Taiwan, the Philippines and South Africa have suffered heavy losses in the financial markets, as the e! yen stagnates at a seven-year low against the U.S. dollar.

of a long-term investor retreat from de-

In Russia, a sharp drop in the value of the ruble has sent Russian bond prices tanking and fueled speculation that the central bank there would have to raise interest rates. Those fears were realized Wednesday when the central bank tripled interest rates to 150 percent.

In Latin America, share prices are tumbling. The Bovespa, Brazil's stock ted calls from some analysts for new

By Daniel Williams

MOSCOW - Russia fought hard to

prop up the ruble Wednesday and avoid

a currency collapse that analysts said

was dramatic: The Central Bank tripled

percent in order to lure investors into

government obligations, including the

payoff or rollover of old loans. The

move followed by a day President Boris

For two days, newspapers have been

predicting a major devaluation. To dis-perse the clouds of speculation, Prime

Minister Sergei Kiriyenko has repeatedly said no such devaluation would take place. "Neither the Russian government, nor the Finance Ministry, nor the Central

Bank consider any plans for devalu-ation," he told a meeting of worldwide

The rate increase gave the ruble little

help; the dollar rose to 6.1600 rubles

from 6.1580 rubles Tuesday. News of

the rate increase sent Russia's battered

stock market numbling even further. The

Russia/Skate Press Stock Market General Index fell 9.11 percent to close at

869.97 points. The index is down more

seven-year reign and a symbol of his

commitment to an economy in which

investors, consumers and savers need

not fear a sudden reduction in their

anxious that Russia not be seen as the

these measures are aimed at protecting

"I particularly want to stress that

- :: money's worth. His government is also

newspaper editors Wednesday.

than 50 percent for the year.

: next Indonesia, a land of unrest.

: Yeltsin's decision to slash spending by

The proceeds are for use in meeting

a could lead to an economic meltdown.

The mechanism for saving the ruble

interest rates to a four-year high of 150

buying fresh government debt.

- : 12 percent.

cent, and he Merval index of Argentina

tumbled C37 percent.

The stil-off in emerging markets around the globe dampened the hopes of many maket players that the worst of the Asian financial crisis might be over.

The investor exodus was a "crucially important' development, said Desmond Lahman, an emerging-markets research a Salomon Smith Barney in New Yor.. "There's a different atmosphere nov," he said.

Several specialists said they were lying paticular attention to Russia as a bellwethe in assessing whether financial turmal in Asia will inflict collateral damage or emerging economies outside the regionover the months ahead.

"It has systemic importance," Mr. Lachman aid. "If Russia goes wrong, the other ecommies will be in deep trouble." The far flung market declines promp-

index, fel 0.6 percent late Wednesday, the Bolsaindex of Mexico fell 1.7 per-Fund and leaders of the major industrial nations to head off deeper losses.

But with the IMF already running low on capital and scrambling to revamp troubled economic support programs simultaneously in Indonesia, Thailand, South Korea and Russia, it remains unclear whether financial authorities from the rich nations have the resources to reverse a protracted deterioration in investor sen-

timent regarding emerging markets.

An IMF spokesman said Tuesday that in practical terms, after accounting for the sums pledged to crisis-stricken countries and other claims, the fund has cash reserves of less than \$15 billion. That is less than the \$21 billion the fund committed in the \$57 billion support package it assembled for South Korea with the help of rich nations and other donors.

Analysis cited a host of factors as contributing to the stock-market losses. Several said that rioting in Indonesia had forced investors to think more care-

turing troubled Asian economies would require wrenching social changes.

Others blamed worries about labor

unrest in South Korea, where workers at Hyundai Motor Co., the country's largest automaker, and members of a labor confederation opened a two-day general strike Wednesday.

Earlier in the year, South Korea had been regarded as something of a star pupil among the beleaguered Asian economies because its government and its unions seemed willing to embrace painful reform measures to get back on track.

Many analysts attributed the sudden slump to heightened concerns about the weakness of the Japanese economy and a sense of uneasiness that the yen could test new lows in coming months.

"The weakness of the yen is a great concern that could have enormous fallout in Asia and more broadly in emerging markets in general," said Richard Hoey,



Indonesians waiting Wednesday at a bank in Jakarta to withdraw money.

New Asia Warnings Hit Region's Stocks

By Philip Segal

HONG KONG - Stocks fell steeply across Asia on Wednesday amid fresh warnings about the soundness of the region's banks and economies and fears that the entire region might be headed

for another round of financial turmoil. In Hong Kong, stocks plunged more than 5 percent after the territory's chief executive, Tung Chee-hwa, warned that Hong Kong may join some of its neighbors in falling into recession. In Malaysia, a leading economic official also said a recession might be looming.

The downward jolt in Hong Kong's economic expectations came amid a series of warnings over the health of Asian banks, particularly those in Japan and Indonesia, signaling a possible worsening of the Asian financial crisis after a period of relative optimism on the part of foreign investors during the first part of the year.

Moody's Investors Service Inc. provided one of its strongest warnings Wednesday about Japan's banking system as it downgraded the country's largest bank and four others. Separately, it warned that Indonesia's entire banking system was "broadly insolvent."

here is no growth in Asia, which is quite a shock to people whose whole strategy was predicated on buying su-

perior growth companies," said Nial Gooding, head of sales at Indosuez W. I. Carr in Hong Kong. Hong Kong's benchmark Hang Seng Index closed down 498.78 points, or 5.3 percent, at 8,983.43, the worst single-day drop on

the market since January.
Japan's Nikkei 225-stock average fell 1.4 percent, or 220.53 points, to 15,664.29 after Moody's lowered credit and financial-strength ratings on five major Japanese banks, including the largest, Bank of Tokyo-Mitsubishi Ltd. The other banks that were downgraded were Dai-Ichi Kangyo Bank Ltd., Sakura Bank Ltd., Industrial Bank of Japan Ltd. and Sumitomo Bank Ltd.

The U.S. credit-rating company also The U.S. credit-rating company also warned that it might lower ratings of four other top Japanese banks, triggering sales of banking stocks in Tokyo.

"The downgrades reflect concern that Japanese banks are facing a third wave of asset quality problems," Moody's said, "because of the weak-aning domestic because of the year-

ening domestic economy, on top of existing problems resulting from the East Asian crisis and the collapse of the bubble economy."

The announcement came only days after the banks reported weak earnings for the year that ended March 31. Ten of Japan's biggest banks announced losses

See ASIA, Page 19

Russia Struggles to Save the Ruble From Collapse

Moscow stock exchange traders watching share prices tumble Wednesday after interest rates were tripled.

the interests of ordinary citizens," said Sergei Dubinin, president of the Central Bank.

With the Russian stock market reeling, there is some doubt whether Russia can restore confidence all by itself. Russian officials have felt out the International Monetary Fund for a new rescue package of cut-rate loans. Deputy Finance Minister Oleg Vyugin said he "would not rule out" that Mr. Kir-Mr. Yeltsin regards a stable ruble as iyenko himself might have discussed a package last week with IMF officials.

Some analysts said new outside help was necessary for both economic and political reasons. An IMF loan would make it cheaper for Russia to cover its deficits. It would also be a sign that the West has confidence in Mr. Yeltsin's

"If the IMF is not coming up with a plan, it doesn't know what it is doing," said Eric Kraus, chief strategist at Regent European Securities in Moscow.

The IMF still has not said when it plans to release a \$700 million tranche of an existing \$10.2 billion loan to Russia, which has been frozen since Janu-

ary, Bridge News reported.
[The IMF's Russia director, Alexei zhin, said Wednesday that the IMF would announce a decision Priday on the \$700 million. But he said market rumors that the IMF was considering extending Russia an emergency credit line of \$10 billion was a "fantasy

Ruben Vardanyan, president of Troika-Dialog investment company, said another IMF package of some kind

was "very important to avoid panic." So far, nothing approaching panic has taken hold on the streets of Moscow. Tellers at money exchange offices re-ported no dumping of rubles, but only

See RUSSIA, Page 19

Boeing Feels Bumps in Asian Crisis

Planemaker May Cut Back 747 Production Because of Weak Demand

Compiled by Our Stuff From Disposches

SEATTLE - Boeing Co. said Wednesday it would probably cut back production of the 747 jumbo jet next year because of weakening demand from Asia. In its monthly production update, Boeing said the Asian

economic crisis could force a reduction in production rates for the 747 even though most Asian airlines are taking delivery of their planes as scheduled this year.

The company is now making four 747s a month and plans to increase that to five a month in the third quarter. Any decision on lowering 747 production will be made in June, said Boeing's chairman, Phil Condit.

Fred Mitchell, executive vice president of the airplane maker, said: 'During the past few months we have been watching our production rates very closely to make sure we match near-term production to market demand. Most airlines in Asia are taking delivery of their 1998 airplanes."

But Boeing executives said they continued to be hampered by production problems that could cause delivery delays through the end of 1998. "It's clear that we are still not out of the woods." Mr. Mitchell said. "The next-generation 737 program con-

tinues to be our biggest single problem, and the area with the most risk and uncertainty. Boeing's stock fell 93.75 cents to close at \$46.3125 on

the New York Stock Exchange. The company has been struggling with production problems since it increased aircraft production about two years ago to meet rising

Boeing has gone from producing about 18 aircraft a month in April 1996 to 26 in early 1997 to a target of 49 by the end of this year, including models formerly made by McDonnell Douglas Corp., which Boeing acquired.

Boeing has raised production of the next-generation 737 to 14 a month from seven and is increasing production of its 777 model to seven a month from five. Mr. Condit said 777 production was unlikely to be affected by the Asian crisis cause U.S. airlines' orders were making up for any drop in demand from elsewhere.

Analysts said the company also was having problems delivering aircraft because of delays in obtaining customer approvals and installing customer-specific features.

Boeing said it had delivered 34 jeiliners so far this month

and planned to deliver 10 more by the end of the month. In April, Boeing delivered 37 planes. It expects to deliver about 250 in the first half of 1998.

Boeing's production problems combined with the cost of absorbing McDonnell Douglas resulted in a loss of \$178 million last year, the company's first loss in 50 years. (Reuters, Bloomberg)

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Source 7



GENEVA ZURICH LAUSANNE LONDON ATHENS LUXEMBOURG MONACO GULANSFY JERSFY MIAMI SÃO PAULO BRITISH VIRGIN ISLANDS BERMUDA

The Business of Commencement Is Business

By William H. Honan New York Times Service

NEW YORK - College commencement speakers are customar-ily drawn from the ranks of judges, authors, former presidents, enter-tainers and journalists, but the number recruited from the business world this year appears to have been larger than usual.

My clients started off by asking for Bill Gates," said Grada Fischer, president of Fischer-Ross Group, a New York lecture agency that provides commencement speakers. told them Bill Gates doesn't make speeches — he's too busy running his company. So then they ask, 'Who else can you get?'
"With business doing well, I sug-

gest business leaders.' Robert Dilenschneider of Dilenschneider Group, a public-relations organization that recruits lecturers, said he had been deluged

prominent executives. "People are pretty upset with politicians — that's part of it," Mr.

with requests for appearances by

speeded-up technology have made business leaders into celebrities."

ates are heading home this year ment speakers this year. mumbling expressions like "cutting edge,''

fre-

most

cremental technologic-As speakers, 'Business leaders al change." Perhaps the

quent advice informal survey of several dozen measures of genuine success, of true commencement speeches, is the ad-monition to dream. Vance Coffman, chairman of Lockheed Martin Corp., set a record of sorts in his address to graduates of the Stevens Institute of Technology in Hoboken, New Jersey, when he used the word 'dream," or variations of it, 16 times in a four-minute speech. Almost all the surveyed speeches

expressed optimism. At the same time, some of the business speakers offered this old Dilenschneider said. "Also, the cautionary adage: "Nobody on his

deals creating bigness, the new ideas deathbed ever looked back on his buy a seat on the New York Stock coming from business and the life and said, 'I wish I'd spent more Exchange and now a successful

time at the office. The suggestion that the rat race is Because of all the business speak- not necessarily the be-all and end-all ers at commencement, recent gradu- was echoed by many commence-

Randall Tobias, chairman of Eli 'global reach" and "in- Lilly & Co., repeated the quotation dress to

graduates

of Butler

have turned into celebrities.' University in Indithey have received, according to an anapolis. Then he added, "The best

success in life, go well beyond the workplace." A good number of the business-world speakers this year were wom-

en, and their advice did not differ much from that of their male counterparts. Linda Sanford, general manager for global industries at In-ternational Business Machines Corp., told graduates of St. John's University in Queens, New York, to "keep grabbing" opportunities throughout their lives.

Muriel Siebert, the first woman to

broker, instructed grajuates of Case Western Reserve Iniversity in Cleveland as follows

'When you hit a chsed door, and it doesn't open easily don't get discouraged. Just rear back and kick the door open.

■ MBAs Opt for Consulting

Andersen Consuling is hiring 500 business school graduates this year, up 15 percent form a year ago. Chrysler Corp. is hirig about 20, the same as last year. Fo newly minted masters of business idministration, consulting has become their pot of gold, Bloomberg Nevs reported.

Top business gramates will average about \$150,000 in total compensation for their first year as consultants, university officials said.

Behind the expanson in consult-ing is the rapid change among U.S. corporations, which has led to increased use of consiltants. "Many companies are being forced to rethink their core business strategies.' said David Reed, a recruiter for Andersen Consulting in Chicago.

The weakness of the yen, in con-

expensive goods, keeping prices

low in nations that can afford them

but making it bard for competitors to

Unless Japan can revive its econ-

omy, analysts said, it would be dif-

ficult for the other Asiar nations to

generate sufficient exports to get

bag Wednesday, Bloomberg News

Netscape Communications rose 1% to 25% a day after reporting

stronger second-quarter earnings

While the Interne software maker said it earned just \$8,000 in

the quarter, down from \$7.31 mil-

lion a year earlier, analysts had been

expecting the company to post a

Dell Computer was the most ac-

tively traded U.S. stock, rising 2 3/

16 to 861/s to snap a week of losses.

Investors had soured on the stock

■ Technology Issues Vixed

their own houses in order.

than analysts expected.

do business.

reported.

itor, and economic or political un-FOREIGN EXCHANGE

cow, and the ruble weakened.

Dollar Gains

As Investors

Flee Russia

NEW YORK - The dollar rallied

against European currencies Wed-

nesday as investors fled the panicked

Russian interest rates soared

after a failed government bond auc-

tion and the cancellation of another

auction. Stocks plummeted in Mos-

Germany is Russia's largest cred-

financial markets of Russia.

certainty in Russia tends to undermine the Deutsche mark and other German assets.

"The dollar rally against the mark was highly correlated with the Russian chaos," said Dominick Presa, chief dealer at Generale de "European corporate customers stepped all over each other to sell the mark in the face of the mushrooming crisis.

Despite official Russian statements to the contrary, "People are betting on a ruble devaluation, which would hit the Deutsche mark," said Jack Griffin, institu-

tional salesman at Westpac Bank. The dollar rose to 1.7835 DM in 4 P.M. trading from 1.7705 DM on Tuesday. It also gained to 5.9800 French francs from 5.9380 francs and to 1.4735 Swiss francs from 1.4698 francs. The pound fell to \$1.6310 from \$1.6363.

Persistent troubles in Russia could hinder Germany's recovery and reduce the likelihood that the Bundesbank will raise rates soon.

"Problems in Russia or the Eastern Europe would be an argument against an interest-rate tightening in the euro zone," said Paul O'Brien, an asset manager at Miller Ander-Technology stocks, which have been market leaders, were a mixed son & Sherrerd.

But some analysts said European interest rates would still have to rise before a single currency is implemented in January. The policy-making Bundesbank council meets Thursday, and economists expect the Bundesbank to leave rates unchanged after a preliminary report on Western German inflation showing that price pressure is still subdued.

The dollar slipped to 137.375 year from 137.865 yen as investors locked in profits after its recent rally against the Japanese currency. But analysts said turmoil in South Korea and Indonesia should help lift the dollar against the yen over the · (Market News. longer term. Bridge News, Bloomberg)

Very briefly:

 True North Communications Inc., an advertising holding company, will merge two of its agencies, Modern Media and Poppe Tyson Inc., to create Modern Media. Poppe Tyson, the world's largest Internet marketing organization.

 Vlasic Foods International, the \$1.4 billion food company recently spun off by Campbell Soup Co., plans to triple advertising spending on its Vlasic and Swanson brands over the next two years. The move came after the company posted - a third-quarter loss of \$20.8 million, compared with a profit of \$9.68 million in the year-earlier quarter.

• Summit Resources Ltd., a Canadian petroleum producer, put itself up for sale to lift its share price and hired two investment firms, Morgan Stanley & Co. Peters & Co., to find buyers.

· International Home Foods, a subsidiary of Hicks, Muse, Tate & Furst Inc., will buy Venice Maid Foods Inc., which manufactures canned pasta and specialty soups. The terms of the deal were not disclosed.

• Cummins Engine Co., a maker of diesel engines, will cut about 1,000 salaried workers from its worldwide payroll to bolster its earnings. The planned cuts represent 4.3 percent of its workforce of 23,500.

• AES Corp. agreed to buy a 90 percent stake in Empresa Distribuidora La Plata SA, an electric utility in Argentina, for \$350 million, almost doubling its customer base in Argentina. • Grupo Televisa SA, Mexico's biggest broadcaster, plans to cut up to 1,200 jobs as part of a bid to lower costs, the Reforma newspaper reported.

• Mexican department store and supermarket sales soared in April as higher wages and lower unemployment lifted household spending. Sales at the country's department stores rose 15.5 percent, while sales at supermarkets rose 7.8 percent.

• Primedia Inc. said the failure of PanAmSat Corp.'s Galaxy IV satellite would prevent it from broadcasting its Channel One News to schools for the last two weeks of the school year and could depress its second-quarter results by as much as \$5 million. Reuters, Bloomberg, AP

Gateway Offers Browser Choice

NEW YORK - Gateway Inc. said Wednesday it planned to let some customers choose which Internet browser they use in its new home computers after winning the concession from Microsoft Corp.

The move came after government lawyers sued Microsoft over its allegedly monopolistic contracts that force personal-computer makers such as Gateway to install Microsoft's software for viewing and retrieving information on the Internet.

Netscape Communications Corp., which pioneered the market for Internet browsers. has seen its sales slide dramatically due to Microsoft's aggressive marketing practices. Starting next week, Gateway

will let buyers of its computers

who sign up for its Internet service choose between Netscape and Microsoft software as the "default" browser that automatically boots up on the screen when they access the Internet. Previously, Microsoft's Internet Explorer software was always the default browser.

MARKETS: New Fears About Asia Cause Broad Prop

Continued from Page 1

"Arguably, you could say that we have been in a bull market since the first of August, 1982, with about 10 down days," Mr. Collins said.

While some analysts might dispute that, the Dow industrials are trading at more than 10 times the 822.11 close on Aug. 2, 1982. That is a total return of almost 16 percent a year over the period, not counting reinvested dividends.

down toward its average rate of advance, Mr. Collins was not predicting a sell-off. "The market should be okay through 1998," he said. With all of the worldwide tur-

moil, Thomas Herzfeld, whose Thomas J. Herzfeld Advisors Inc. in come undervalued in the recent rush denominated in other currencies. out of the markets. 'I get comfort from the fact that you

are seeing some very nervous investors in emerging markets." Mr. Herzfeld said, seeing the sharp sell-offs as signs that the fears were overdone. Mr. Herzfeld said "brave" in-

the Scudder Spain & Portugal Fund, whose managers are under pressure trast, made Japan a competitor for to reduce the discrepancy between exports and reduced its ability to pay the price of its shares, which are for Asian imports. Now, with their traded on the New York Stock Ex-devalued currencies, the Asian countries are exporting relatively inchange, and the value of the assets that the fund holds.

The financial crisis in Asia began in July when Thailand was forced to devalue its currency, the baht. This

U.S. STOCKS

Yet while he said he expected a reduced the cost of its exports to 'payback'' to pull the market back other countries, putting pressure on its neighbors to devalue their currencies to remain competitive. While a weak currency is good for a country's exporters, it is anathema to overseas holders of stocks and bonds, and the subsequent round of competitive valuations in Asia had Miami specializes in closed-end investors fleeing the region and mutual funds, said he thought some made it difficult for indebted compaof the emerging markets had be- nies in the region to pay off loans

Analysts and portfolio managers at Scudder Kemper Investments Inc. laid the blame for the crisis on the weakening of the yen in the 1990s. When the yen was strong, according to Maureen Allyn, the firm's chief economist, the developing countries vestors could consider two closed- in the region were able to price their end Russia funds, Templeton Russia exports below Japan's, while that Fund Inc. and Morgan Stanley Russia & New Europe Fund, as well as for their goods.

after the company said it had to cut prices to increase sales.

INTERNATIONAL FUTURES

MEXICAN PESO (CMER)

\$00,000 pesos. 5 per peso
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\$00,000 pesos. 5 per peso
Jun 98 11240 110300 -,00047 11-457
Dec 98 1,0000 10000 1,0000 -,00077 7,261
Est. solas 10,007 Frts solas 12,414
Frts open int 44,820 up 1,468

Fr3 open int 44.20% of 1,048

3-MONTH STERLING (LIFFE)

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Dec 48 - 92.470 - 92.480 - 92.50 - 0.000 11

Jun 79 - 92.170 - 92.180 - 92.000 11

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Jun 49 - 92.35 - 92.35 - 92.35 - 8.00

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CAC 48 (MATIF)
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May 98 41235 4090.0 3987.5 103.0 71,448
May 98 4123.5 4790.0 3987.5 103.0 71,448
May 98 4123.5 4790.3 5990.5 103.5 390
Sep 98 4123.0 4123.0 4017.0 102.0 17,951 Esi soles 59,254 Open Int. 89,432 up 2,677.

Commodity indexes

AMEX

Wednesday's 4 P.M. Close

U. S. STOCK MARKET DIARY

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234.76 232.46 232.48 232.04
135.48 133.00 132.00 132.00
135.48 133.00 132.00 1092.25
542.64 531.36 531.37 532.03 AMEX **AMEX** High Low Last
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5594 5194 5194
6794 6794 6794
6794 6794 6794
797 77 77
77 77
787 2794 2794
1894 1894 1894 970 2235 447 3552 60 75 200 431 145 777 23 Company

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Tracer Petrol 1 for 10 reverse split.

Tracer Petrol 1 for 10 reverse split.

Tracer Petrol 1 for 10 reverse split.

HCREASED

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FCB Pinanciol

Q .22 6-30

Home Depoti

Q .06 6-11

Scott & Stringfill

Q .10 7-1

Tri-County Bacp

Q .11 6-3

UsBancarp PA Q .42 6-3

Usbancarp PA Q .43 6-3 INITIAL .10 6-15 6-26 .075 6-15 6-30 .15 6-5 7-1 .15 6-5 7-20

WHEAT (CBOT)
5,000 but minimum-cents per bushel
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Sep 78 304 27374 277 -574 17,906
Dec 78 3194 3089 3124 -574 25,629
Morr 99 3114 3224 4 5,254
Est. sales 26,000 Tuers sales 21,586
Tuers open int 116,856 off 2,123 FEEDER CATTLE (CHAER)
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Col 98 76.45 75.40 75.50
Col 98 76.40 73.54 75.40
Mov 99 72.95 74.30 76.70
Mor 99 77.10 76.70 76.70
Mor 99 77.10 76.70 76.70
Test spun lb 13.262, up 73 HOSS-Lans (CMERS)

40,000 ps. - conts por ls.
Jun 98 61,30 60.10 60.25
Jul 98 00.10 55.93 56.22
Oct 98 52.40 51.82 52.00
Est seles 10.10 51.92 52.00
Est seles 10.10 51.92 52.00
Turts open int 32,407, ori 496

HI GRADE COPPER (NCAX) HI GRADE COPPER (NCAX)
25.00 lbs...cents per h.

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Moy 98 75.80 74.50 75.57 +1.35

Jul 98 76.50 74.50 76.30 +1.30

Aug 98 76.50 75.45 76.60 +1.30

Sep 98 77.00 74.50 76.85 +1.25

Oct 98 77.10 76.90 77.10 +1.30

Nov 99 77.30 76.20 77.30 +1.10

Jon 99 77.30 76.20 77.30 +1.10

Jon 99 77.30 76.20 77.35 +1.20

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COFFEE C (NCSE)
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27,500 bs. conts per b.
27,500 bs. conts per b.
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28,701 10,501 12,675 129,13
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28,701 10,501 12,575
28,701 10,501 11,501 11,501
28,1 color 7,245 12,501 11,501
28,1 color 7,245 12,501 28,250

SUGARWORLD 11 (NCSE) 112,000 bts - Cents pter ib. Jul 98 8.50 8.22 8.34 4 0ct 98 8.48 8.42 8.51 4 Mar 99 9.24 9.05 9.12 4 Mary 9 9.22 9.08 9.15 4 Est, rates 40.898 Turn sales 77,201 Turn open int 171,412, up 4.0%

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Dollar Gains . The Russia

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FOREIGN EXCHANGE

EUROPE

Bundesbank

BONN — The Nobel Prizewinning economist James Tobin has launched an outspoken attack on the Bundesbank, saying its strict monetary regime is to blame for high German un-

employment, Mr. Tobin, in an interview with Die Zeit, the weekly newspaper, also warned that applying a similar monetary policy to bolster Europe's single currency could hurt both competitiveness and job creation fur-

"Germany hasn't even tried to fight unemployment by stim-ulating demand, Mr. Tobin said. "Instead, it is argued that unemployment is a structural problem. How can you know if you haven't even tried? Meanwhile, unemployment keeps climbing. It's unbelievable."

Mr. Tobin, a Keynesian economist who has advised Presidents John Kennedy and Bill Clinton, said low U.S. unemployment had been the product of a "pragmatic" mon-

He said the Bundesbank had pursued a one-sided initiative that put emphasis on price stability alone. "The Bundesbank hasn't tried to pursue stability and employment goals simultaneously," he said.

He added that the Bundes-

bank considered politicians and businesses alone responsible for dealing with unemploy-

German unemployment stood at 4.4 million in April, the highest for the month since

U.S. Analyst Criticizes EU Rejects German Digital-TV Alliance By Barry James The merger would have created a trying to find an agreement — per-cessions, but what was asked

pound affected overseas profit. De-spite a loss of £200 million from the £1.95 billion a year earlier. Annual

strong pound, the carrier said, its revenue came to £8.64 billion, com-

ally gain approval despite a negative "These results show the value of view taken by the U.S. Justice De-

partment last week.

results were lifted by £250 million pared with £8.36 billion.

By Barry James

BRUSSELS - The European Commission on Wednesday blocked a proposed three-way pay-TV merger in Germany involving Bertelsmann AG, Kirch Group and Deutsche Telekom AG, saying the deal would stifle competition, threaten technological development and hurt consumers.

Karel Van Miert, the European Union's antitrust chief, said Bertelsmann had delivered a letter spurning a last-minute compromise offer even as the 20-member commission met here to discuss the issue.

The Associated Press
LONDON — British Airways

PLC said Wednesday that its annual

profit fell 9.4 percent, to £580 mil-

usually slow winter.

lion (\$949.1 million), a decline that

pretax earnings at BA would slip by he said.

vertically integrated monopoly, Mr. haps too much so," he said. Van Miert said, combining the dicoding technology of the partners the German market.

Mr. Van Miert said. "We have to available in future, even if it is in monopoly hands in the short term." sion was divided on the issue, but Mr. Van Miert said its decision was unanimous after a failed attempt Tuesday to find grounds for agreement.

BA's Profit Falls, but Confidence Stays High

lion (5949.1 million), a decline that in cost cuts. Bob Ayling, the air-was less severe than expected after line's chief executive, said BA was its long-delayed alliance with

the carrier cut costs, paid less for on track to achieve £1 billion in

Analysts had estimated that the business efficiency program,"

fuel and made more money in the annual savings by 2000.

The merger would have created a trying to find an agreement — per-

While Kirch had accepted a progital pay-TV, cable and satellite de- posed compromise, Bertelsmana reand making it difficult or impossible view that further concessions would for other service providers to enter have undermined the economic basis of the deal.

Kirch and Telekom said after the assure that access to the market is ruling that they were prepared to go back to the negotiating table. But Bertelsmann said it would end its efforts Reports this week said the commis- to forge a digital-TV alliance and

would focus on its Premiere channel. "For us this was the last straw," Ulrike Gruenrock-Kern, a Bertelsmann spokeswoman, told Bloomberg 'We were extremely flexible in News. "We made very painful con-

American Airlines would eventu-

The carrier said it hoped Euro-

cessions, but what was asked of us in the final days was just too much."

The commission said it considered digital TV to be "an imjected it, apparently because of its portant market of the future" with considerable growth potential. However, it said, "these potentials can only be fully exploited if the market is kept open and can evolve on a competitive basis."

The merger would have created a single digital pay-TV provider out of a complex web of Bertelsmann and Kirch interests. Bertelsmann is one of the world's largest multimedia and publishing empires, and Kirch is a provider of films and television entertainment programs in Germany.

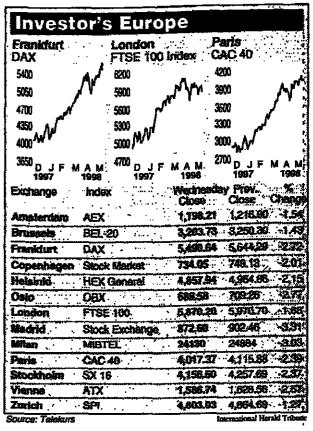
Daimler Talking With Carmakers

Bloomberg News STUTTGART - Daimler-Benz AG is negotiating with 'many'' carmakers about alliances, its chief executive, Juergen Schrempp, said Wednesday, as four-month sales rose 22 percent led by new models.

Mr. Schrempp said cooper-ation talks with Nissan Diesel Motor Co., a unit of Nissan Motor Co., were "going very well" but would last several months.

Daimler is considering buy-ing a stake in the truck unit, Mr. Schrempp said. He did not name any other possible partners.

His remarks come a month after Daimler announced a \$43 billion takeover of Chrysler Corp. as it seeks to operate on a more global scale and move into lower-priced cars. Mercedes' new A-Class compact, which competes with Volkswagen AG's Golf, is among the new models that lifted sales through April to \$43.8 billion Deutsche marks (\$24.8 billion).



Very briefly:

The Trib Index

 France asked Aerospatiale SA to prepare the groundwork for a stock-market listing, paving the way for Europe's Airbus partnership to become a unified company. The German and British governments are pushing for Airbus to transform itself from a consortium to a single company.

 Generale de Banque SA's board will tell shareholders Friday whether it favors a \$12.1 billion stock-and-cash offer from ABN-AMRO Holding NV or a \$10.6 billion all-stock offer from Fortis, a Belgian-Dutch bank and insurer.

• Deutsche Bank AG of Germany said it was interested in buying some Swiss units that UBS AG will have to sell after Swiss Bank Corp. and Union Bank of Switzerland merge to form that new company. Deutsche expressed interest in the 25 branches that UBS will have to sell and in Banca Svizzera Italiana, a private-banking unit of Swiss Bank Corp.

• Thorn PLC will sell all its non-British businesses over the next two years as the consumer-goods rental company re-organizes after several years of falling profit.

• The European Central Bank's board will hold its first meeting Tuesday, a spokeswoman for the European Monetary Bloomberg, Reuters

as much as 20 percent in the year BA also benefited from lower pean and British regulators would that ended March 31. fuel costs, saving £115 million. offer rulings on the alliance this The company was hit by a flight attendants' strike last summer that had earnings of £640 million. summer and that the U.S. Transportation Department would rule by cost it £125 million, and the strong Revenue reached £2.03 hillion in

Air France Posts Profit as Costs and Debt Fall

PARIS - Air France SA announced a profit Wednesday for the year ended March 31 as passenger revenue rose and it cut costs, a performance the government will showcase as it sells shares in the airline.

The profit of 1.87 billion francs (\$315 million) came after the company

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Hong Seng: 8903.43 Previous: 9482.21

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Hong Kong

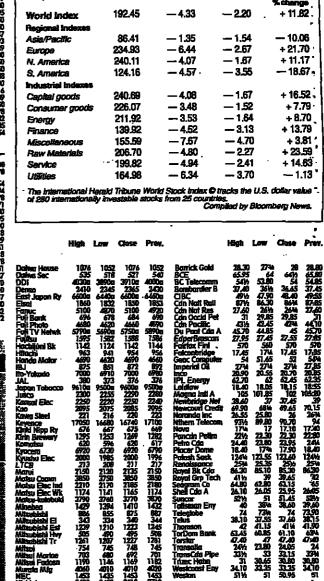
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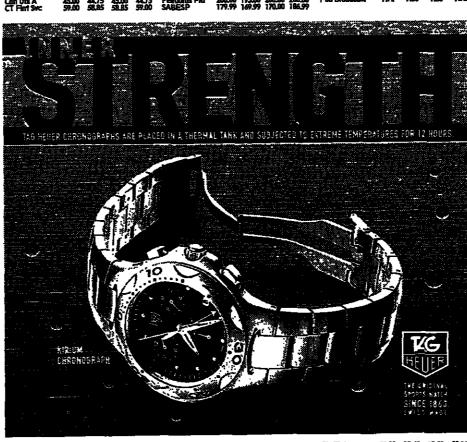
Air Inter. That numed the originally most unprofitable major airline. reported profit of 394 million francs in Air France also plans to refurl the year that ended March 31, 1997, into a loss of 268 million francs.

Paris hub, increased domestic ser-

Air France also plans to refurbish its fleet and said it would order 20 planes in Airbus Industrie's A320 The latest year's profit was at-tributed to stronger sales from a new family to replace aging Boeing 737-tributed to stronger sales from a new 200s. The airline said sales rose 9.2 percent, to 60.7 billion francs. That vice and tighter control of costs. Air included sales from Air France and France has cut its debt by more than the former Air Inter, now operating restated the previous year's results to half since 1993, when overstaffing as Air France Europe, as well as include those of the domestic carrier and inefficiency made it Europe's from various subsidiaries.

> High Low Clase Prev. High Low Close Prev. High Low Clase Prev. Clase Prev. LOW LVANH
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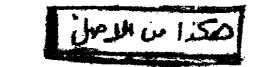
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HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE) AND SUBSIDIARIES

Condensed Consolidated Financial Statements Prepared under International Accounting Standards as of December 31, 1997 (In millions of Greek Drachmae)

CONS	SOLIDATED	BALANCE SHEET	
Assets		Shareholders' Investment & Liabilities	
Intangible assets, net Fixed Assets	14,469	Shareholders' investment	340,237
		Share Capital	239,143
Telecommunication Property, Plant and Equipment Less: Accumulated Depreciation	1,550,020 (635,862)	Paid in Surplus Reserves and retained earnings	319,266
	914,158		898,646
investments		Minority interest	16,093
Other non current assets	143,595 36,984	Reserves for staff retirement and other employee benefits	168,184
Deffered income tax benefits	63,386	Other reserves and long-term liabilities	19,818
	243,965	Long-term debt	128,802
	243,707	Subsidies, net of amortization	110,420
Current Assets		Current Liabilities	10.000
Cash and cash equivalents	184,031	Bank loans and overdrafts	10,088
Accounts receivable	233,901	Accounts payable	64,531
Materials and supplies	13,943	Income taxes payable	66,742
Other current assets	68,366	Dividends	100,061
	500,241	Other current liabilities	89,448
•		alsold	330,870
· •	1,672,833		1,672,833
CONSOLIDATED STATEMENT OF OPERATIONS		MOVEMENT IN SHAREHOLDERS' INVESTMENT	r
Operating revenues	809,439	Shareholders' investment, January 1 as previously reported	615,866
Operating expenses	(513,873)	Fixed asset register adjustment	(3,63
Operating profit -	295,566	_	
- · · · · · · · · · · · · · · · · · · ·	8,797	Shareholders' investment, January 1 as restated	612,231
Financial, net Gain on sale of investment	11,000		
Other, net	(4,088)		
Juki, net	15,709	Net profit for the year	197,93
- 	311,275	Conital increase	23,73
Profit before income taxes	(113,421)	Capital increase	1/4=4
ncome taxes -	197,854	Paid in surplus, net of share issuance expenses	164,54
Profit after tax	-		(99,80
Minority interest -	84	Dividends declared	898,64
MILLOUND	197,938	Shareholders' investment, December 31 =	898.0 4

The major differences between Statutory and IAS financial statements relate to the accounting of staff retirement and other employee benefits, subsidies and deferred income taxes. The finalization of the Organization's fixed asset register resulted to an adjustment of Drs. 3.635, which has been charged against opening retained earnings. are provided as no consolidated financial statements as of December 31, 1996 were prepared.



HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE S.A.)

THE SHAREHOLDERS OF THE HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (REGISTRATION NUMBER 347/06/B/86/10) ARE HEREBY INVITED TO THE FORTY-SIXTH (46TH) ORDINARY GENERAL ASSEMBLY (FISCAL YEAR ENDING ON 31/12/1997)

Pursuant to the Law and the Company's Articles of Association and following decision No 2558 of the Board of Directors, taken on 19/05/1998 the Shareholders of the Hellenic Telecommunications Organization S.A. are hereby invited to the 46th Ordinary General Assembly, to be held on June 17th 1998, Thursday, at 12.00 hours, at the Hilton Hotel (46, Vas. Sofias Avenue - Athens), in order to discuss and decide on the agenda herebelow:

- 1. Presentation of the Management Report drafted by the Managing Director and Audit Reports compiled by the Chartered Auditors and an Auditor of international repute, in respect to the annual financial statements of fiscal year 1997, including the financial statements of the Company's affiliates and the financial statements as per the International Accounting
- 2. Approval of financial statements and reports for fiscal year 1997.
- 3. Approval of profits distribution.
- 4. Acquittal of the Board of Directors and Auditors from any compensation liability for the fiscal year 1997, pursuant to Codified Law 2190/1920.
- 5. Approval of remuneration paid to the members of the Board of Directors and determination of their remuneration's form.
- 6. Approval of remuneration paid to the Chairman of the Board of Directors and the Managing Director and determination of their remuneration.
- 7. Appointment of Chartered Auditors (two principal and two deputy auditors) and one auditor of international repute for fiscal year 1998, in accordance with Law 2257/945 and
- determination of their fee. 8. Increase of share capital, resulting from capitalization of reserves, due to a revaluation of land and buildings, at 31/12/1996 (Law 2065/1992).
- 9. Issuance of an irrevocable order to the Board of Directors to decide on the settlement of any proportional rights through purchase or sale of shares resulting from the share capital increase.
- 10. Modification of Article 5 of the Articles of Association of the Company in view of the above-mentioned share capital increase.
- 11. Authorization, to be granted to the Board of Directors, related to action to be taken in order to convert the company's shares into immaterial shares, according to Law 2396/1996, as modified by Law 2533/1997 and subsequent modification of the intents of the Articles of Association affected thereby.
- 12. Approval of incentives schemes to the Company's personnel through distribution of shares.

In order to participate, in person or by proxy, in the said Ordinary General Assembly Shareholders must, in accordance with the Law and the Company's Articles of Association, deposit In order to participate, in participate, in participate of Association, deposit their share certificates with any bank in Greece or abroad; the Consignations and Loans Fund; or OTE's Treasury (99, Kifissias Ave. Maroussi), or OTE's Share Registration Office (1st floor, their share certificates with any bank in Greece or abroad; the Consignations and Loans Fund; or OTE's Treasury (99, Kifissias Ave. Maroussi), or OTE's Share Registration Office (1st floor, their share certificates with any bank in Greece or abroad; the Consignations and Loans Fund; or OTE's Treasury (99, Kifissias Ave. Maroussi), or OTE's Share Registration Office (1st floor, their share certificates with any bank in Greece or abroad; the Consignations and Loans Fund; or OTE's Treasury (99, Kifissias Ave. Maroussi), or OTE's Share Registration Office (1st floor, their share certificates with any bank in Greece or abroad; the Consignations and Loans Fund; or OTE's Treasury (99, Kifissias Ave. Maroussi), or OTE's Share Registration Office (1st floor, their share certificates with any bank in Greece or abroad; the Consignation of the Consignation their snare cerumeaus, with any sales and time for the Ordinary General assembly, (12/06/1998,12.00 hours).

15, Stadiou Street, Athens) at least five (5) full calendar days before the appointed date and time for the Ordinary General assembly, (12/06/1998,12.00 hours).

By the same deadline, Shareholders must also have deposited the Share Depository Receipts as well as the proxy form with OTE's Share Registration Office, at 15, Stadiou Street, Athens.

By authorisation of the Board of Directors

Athens, 22/5/1998

D. Papoulias Chairman

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PAGE 18 Die YM PE 1005 High Low Lokes Orge Wednesday's 4 P.M. 12 Mostů Hilgà Lovr Slock The 1,000 most traded National Market securities niermanden für eine State in der State in de COMPANIES OF THE CONTROL OF THE CONT 在我不得有一股的的外外的现在我们也有我的人的现在分词就不断的情况,我也不断我们的现在分词的现在分词的人的人的人的人的人,我们还有我的人,我们的有人的人,我也不是什么人,我也没有你的 in terms of dollar value, updated twice a year. 12 Mooth High Low Slock Ohr Yid PE 1885 High Low Eastern Cirgo 在中心中心,我们是一个人,我们是一个人,我们我们是一个人,我们我们是一个人,我们是一个 ACTOR OF THE CONTROL GAT INTERNATION OF THE PROPERTY OF THE PROPERT OR 649 s
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ASIA/PACIFIC

Hyundai Founder Plans Cattle Drive Across the DMZ

By Kevin Sullivan Washington Post Service

SEOUL - Over the years, the village of Panmunjom, which straddles the border between North and South Korea, has seen war, defections, spies, shoot-outs, exploding land mines and even a couple of ax murders.

But it's been a while since it has seen a good canle drive.

Now one of South Korea's most powerful business tycoons wants to change that. Chung Ju Yung, founder and honorary chairman of Hyundai Corp., is seeking permission from both governments to personally drive 1,000 cattle through Panmunjom into North Korea next month.

Mr. Chung, 83, who was born in dubbed "Operation Rawhide" by what is now North Korea, says he some — signals the remarkable Korean children affiliated with the wants to help his homeland, which is change in climate between the two suffering from severe food shortages Koreas. and the collapse of its economy.

Mr. Chung and Hyundai are also interested in a wide range of other and birds. But now, especially since chael Jackson is getting into the act, enterprises in the North, ranging from textiles to electronics, for which Hyundai executives ultimately see a large pool of inexpensive labor.

A Hyundai spokesman said Mr. Chung would focus his discussions on a plan that he first broached during a trip to the North in 1989 for cattle plan. Crossing the demilit-building a large tourist complex in arized zone by truck would be danthe unspoiled North Korean countryside at Diamond Mountain, south

This month, Mr. Chung sent a million or more soldiers are stashipload of 10,000 tons of corn to tioned within a few miles of the relatives and discussing his proposal

Continued from Page 1

and the danger of currency and

stock-market chaos spreading not

markets, meant that "we are at a critical turning point."

The most troubled Asian nations,

Mr. Courtis said, "all have huge

amounts of domestic bank debt to

deal with, and there is insufficient

key reasons why there is insufficient

combined with the effect of austerity

countries in the region.'

North Korea in the hopes it would DMZ. South Korea's strict policies for the tourist complex at Diamond out and walk across to the other side. is to load cattle onto 45 big trucks Chung to leave his trucks in North and run convoys through Panmun- Korea - or to bring them home. jom across the world's most heavily fortified border.

month; North Koreans can use the cattle as they please," Mr. Chung said in Scoul.

For decades, about the only things

that crossed the border were spies

the inauguration of President Kim

Dae Jung in South Korea this year,

relations are calmer, and both sides

are encouraging more business and

gerous and difficult because bridges

are old and weak and the roads snake

through live minefields — and a

labor unrest and social tensions.

form in much of East Asia.

only to Russia but to other emerging by the slow pace of corporate re-

liquidity available, and one of the pendent Strategy in London, said

banks to reduce credits for other the fact that East Asia is really mov-

or Thailand, the lack of enough stay in recession for much of 1998,

The crisis is also being prolonged

Yet without Japan's help, the re-

structuring and banking-sector re-

McKee, chief economist at Inde-

Japan's stagnation was compound-

liquidity is the credit crunch in Ja-pan, which is causing Japanese ing an already perilous situation. said Robert Hormats, deputy chair-man of Goldman Sachs International,

In countries such as South Korea Mr. McKee said Hong Kong could and that helped Mexico to generate

money to even finance working cap- while South Korea's and Thailand's difficulties." But in the Asian crisis,

ital for companies that need to export, economies would probably contract he said, "Japan's economic weak-

policies imposed by the International donesia's by as much as 15 percent. to recover, because Japan is not gen-

Monetary Fund, have resulted in Even China, which is hoping for an erating demand for their products."

cultural exchanges.

North Korea has encouraged Mr. Chung, saying,

So far, neither the North Korean also wants to give some kind of

cattle drive.

percent this year.

effects of the crisis.

nor the South Korean government performance in the DMZ, which has officially approved Mr. Chung's may be even harder to pull off than a

skyrocketing interest rates. That, in 8 percent growth rate, might not

cession that is afflicting the rest of time, the United States provided

Asia now looks set to worsen. Robert much capital and a ready market for

ing into deep recession," he said. to buy everything Mexico had to sell,

by 6 percent to 7 percent and In-ness makes it hard for these countries

'We are appreciating his patriotic hope.'

eventually get to his hometown in about dealings with the North also Mountain. Tongchon, Now Mr. Chung's dream make it almost impossible for Mr.

Still, there are encouraging signs. The Kim government has granted far "I will drive the cattle into the more permits to do business with the North through Panmunjom within a North than any of its predecessors. Where it used to be illegal for South Koreans to even talk to a North Korean, it is now relatively common The fact that no one has officially for business officials to travel to said no to Mr. Chung's dream - Pyongyang to discuss new ventures.

Unification Church went to Pyong-

yang to give song and dance per-

promising to give a benefit concert

for North Korea's starving children

in Seoul in October, with his friends

Elizabeth Taylor and Luciano Pav-

arotti also appearing. Mr. Jackson

may be even harder to pull off than a

rea is closer to the bone, as he grew

up there as the eldest son of a peas-

ant family. In 1989, he toured the

area near his hometown, meeting

On Wednesday, several econo-

mists contrasted Japan's inability to

help the region with the role played

by the United States after the Mex-

ican crisis of early 1995. At that

Mexican goods, softening the worst

"the United States was in a position

exports it needed to overcome its

"When Mexico had its crisis."

Mr. Chung's interest in North Ko-

So far, officials and the South Korean press have responded to Mr. Chung's cattle-drive plan with a

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mixture of bafflement and amusement. While many people find the Il Sung. idea charming, it, like inter-Korean relations generally, still has many obstacles to overcome. North Korea has offered encour-

agement to Mr. Chung. "We are appreciating his patriotic hope," North Korea's official state news service said last week.

Kang In Duk, the South Korean minister of unification, said in an interview that if the plan won the approval of North Korea and the United Nations Command, the military force that controls the southern half of the demilitarized zone, "I personally would have no objections." That goes for Mr. Jackson's proposed DMZ performance as well, he said.

Jim Coles, a UN command spokesman, said that so far no one had made a formal request to drive the cattle through the DMZ. But Mr. Coles said the convoy would be a first. He said that, as far as he knew, the last time any vehicle drove across the DMZ was in 1976, around the time of an incident in which a group of North Korean soldiers used ficers overseeing a tree-trimming

operation in the zone. Since then, any delegations that be diverted to military use. have passed through Panmunjorn have had to drive to the border, get

then get into cars for the remainder of their journey. Former President Jimmy Carter did that in 1994 when he went to Pyongyang to meet with the former North Korean leader Kim

To reach the DMZ, Mr. Chung's convoy would have to pass over 'Freedom Bridge,' a one-lane structure that is showing its age. The bridge is not designed to be permanent, and its abutments are packed with two tons of explosives to make it easy to destroy in the event of a North Korean invasion.

There are two bridges connecting North and South, and UN soldiers assigned to the DMZ last week chuckled at the notion of either of them being used for large trucks filled with cattle.

Neither the Bridge of No Return. which got its name during prisonerof-war exchanges after the Korean War, nor the 72-Hour Bridge, which was built in that amount of time by the North Koreans in 1976, is sturdy enough to withstand that kind of traffic, they said.

Mr. Chung is also running into problems with South Korea's complicated "rules of engagement" with North Korea. Officials at the Unification Ministry say cows qualify as humanitarian aid, but trucks do axes to slaughter two American of- not -- so Mr. Chung's trucks would not be allowed to stay in North Korea, where they could conceivably

But the trucks can't come back to the South, either, Officials in Seoul say they fear that bringing the trucks ECONOMY: Crisis Spreads and Deepens as Japan Becomes Part of the Problem mouth disease to South Korea.
The North says it has no s back could introduce hoof-and-

The North says it has no such disease problem and refers to the South's statements that it does as "utterly nonsensical jargon" and "downright lies" made with "a sinister intention to openly slander the

Hardly a good way to keep them dogies rollin', rollin', rollin'....

■ Trucks Being Prepared

A Hyundai executive said Wednesday that 45 five-ton trucks were being prepared at a Hyundai Motor Co. factory to transport the cattle, which can be used either for meat or for farm work, Reuters reported. The executive said the trucks

would also form part of the donation being made to the North.

"There has been dispute about what to do with the trucks after the \$12 a barrel, when Russia had been trip, but it seems like North Korea has decided to accept them," farm official said.

Investor's Asia Tokyo Nikkei 225 Singapore Hong Kong Hang Seng Straits Times 17600 11000/1 10000 8000 1 D J F M A M 1997 1998 1000 D J F M A M Wednesday Prev. Exchange index Close Change 8 983 43 9 482 21 -5 26 Hong Kong Heng Seng 1,295.53 1,312.79 -1,31 Straits Times 2,687.00 2,734.70 -1.74 All Ordinaries 15.664.29 15.884.82 -1.39 Takyo Nikkei 225 561.28 -1.60 Kuata Lumpur Composite : 552.28 -4.07 354.54 Bangkok SET 340.12 Composite Index 313.48 311,99 Seoul Stock Market Index 8,968.17 8,178.39 .-1.35 2,060,14 2,109.30 -2.33 Composite Index 4.16.957 4.34.059 Jukarta 2,222,03 2,240,10 -0.81 NZSE-40 3,777.19 3,875.06 2.53 Sensitive Index

Very briefly:

 The International Monetary Fund said the Philippines' economic program was "broadly on track," but it voiced concern over the government's deteriorating budget position. It made its comments in a review of the country's compliance with economic targets negotiated as part of a new \$1.6 billion standby aid program.

Chang Sheng, a Taiwan consortium, won a contract to build a transit system linking Taipei with its international airport. The consortium submitted a bid of 60 billion Taiwan dollars (\$1.8 billion) to build the 34.6-kilometer (21.6-mile) system.

• Toyota Motor Corp. plans to increase its stake to more than 50 percent in Daihatsu Motor Co. and Hino Motors Ltd. to strengthen ties within its group of companies in response to consolidation moves at some of the world's major auto-makers, Toyota's president, Hiroshi Okuda, said. Toyota owns 33.4 percent of Daihatsu and 20.1 percent of Hino.

· Australia & New Zealand Banking Group Ltd. posted an percent rise in first-half profit, to 625 million Australian dollars (\$388.9 million), as a strong domestic performance and cost-cutting offset the bank's heavy exposure to Asia. The bank set aside 159 million dollars in provisions for doubtful

• The Asia-Pacific region's personal-computer factory shipments fell 4 percent in the first quarter from a year earlier. International Data Corp. said. But for the year, the research firm is forecasting a 5 percent increase in PC shipments for the region, excluding Japan.

• Nintendo Co. named Hasbro Inc., a U.S. toymaker, as its major licensee to make and market products featuring its popular Pocket Monster, or Pokemon, characters, including games, in the United States.

• Crown Ltd. appointed Robert Riley, head of Hong Kongbased Mandarin Oriental Hotel Group, as chief executive to try to restore the operator of Australia's biggest casino to

Turmoil in Asia Slims Down Suzuki's Net

TOKYO — Suzuki Motor Corp., Japan's largest advertising spending, maker of minivehicles, said Wednesday that profit fell "With the economy

10 percent in the year ended March 31 and would probably fall again this year as the troubled economies of Japan and Southeast Asia dragged down sales. yen (\$21.9 million) from 33.6 billion yen in the year-earlier period. Sales fell 1 percent, to 1.5 trillion yen.

Sales in Japan fell 11 percent, to

cubic-centimeter engines or smaller - fell in Japan after an increase last year of the sales tax.

half of Suzuki's sales during the year. Asia, including percent. The company does not estimate group profit, India and China, accounted for an additional 13 though Mr. Saito said "group net will also slide."

percent. With sales lagging, the company had to raise

"With the economy in such bad shape, we had to spend a lot on incentives and advertising," said

Yoshio Saito, the company's vice president. Suzuki spent 17 billion yen on sales and prootions during the year, 70 percent more than

Sales in Japan fell 11 percent, to 80,193 vehicles. Sales of minivehicles - cars and trucks with 660 Minivehicles accounted for almost 95 percent of the company's domestic vehicle sales.

The company warned that the current year looked Plummeting currencies across Southeast Asia even worse. Parent-company net income for the year made Suzuki's cars and motorcycles too expensive in ending in March is expected to be down 5.6 percent at many Asian countries. Japan accounted for almost 9 billion yen on sales of 1.15 trillion yen, down 2.5

In addition, the inability of Japan turn, is creating political pressure, grow by more than 4 percent to 5 to help stabilize the situation in Asia means the Asian crisis is being prolonged, and is even spreading, with investors starting to punish other economies that have similar problems, such as Russia.

"Russia is being hit by the ricochet effect," Mr. Hormats said. "In addition, the weakness in Asia has weakened commodity and oil prices, and that is causing problems for Moscow."

Mr. Countis stressed that Japan's paralysis was not only worsening the situation in Asia but having a "huge impact globally." He said more than half of the incremental demand for global energy in the past five years had come from Asia, "but now Asia has gone into reverse, and so oil is at counting on foreign-exchange earnings at \$20 a barrel."

Mr. McKee said global investors were now scrittinizing other emergsoon see more problems developing in South Africa, India and Brazil," Mr. McKee said

While Europe's economic recovery continues in spite of the Asian crisis, economists and policymakers admit that the continuing Asian slowtrade deficit with Southeast Asia in seven years in the first quarter.

The deficit with eight Asian nations not including Japan tripled to 4.25 billion francs (\$715.7 million) from 1.40 billion francs in the fourth quarter and contrasted with a surplus a year earlier.

Executive Education

ing markets that had Asian-style problems. "That means we could problems developing deve

nual loss Wednesday for the fourth time in five market. years, but Japan's second-biggest automaker said

it was aiming to break even this year. down will trim growth rates this year. billion yen (\$102 million) for the year to March this year as it trims bulging inventories, equal to Evidence of that surfaced Wednes-31, compared with a profit of 77.7 billion yen the more than five months' supply. day as France reported its biggest previous year. Sales edged down to 6.65 trillion

yen, from 6.66 trillion yen. operations, which recorded an 80 billion yen loss and focusing on profitable product lines.

Mr. Anraku also said that new models in the last year, including 50 billion yen to clean up a

"We pushed things a bit too far," Kanemitsu exceed levels from a year earlier.

Anraku, a managing director, said of the com-TOKYO - Nissan Motor Co. posted an an- pany's leasing and incentive activities in the U.S.

Although the leasing problem is out of the way, Mr. Anraku said the company expected an Nissan posted a consolidated net loss of 14 additional 5 billion yen loss in the United States

Nissan, in a bid to return to profitability, last week announced a three-year restructuring plan The biggest blow came from Nissan's U.S. that includes selling off assets, trimming costs

car-leasing mess after a slide in used-car prices domestic market, including the Cube compact saddled the company with heavy residual wagon launched in February, were increasing losses.

Education On Line

RUSSIA: Moscow Struggles to Rescue the Ruble From Collapse

seasonal increases in dollar purchases in advance of the vacation season.

People have heard about too afraid yet," said Irina government would probably main providers of tax revendables a countant and a dollar-exchange customer on Kutuzovsky Prospect. "I don't feel a need to rush to mile seemed vulnerable coal pensate for declining income.

At nonic, communance in the sai s two top exports and its fricient tax collection. The periodic IMF certification of Russia's performance in order to release loan installments has become a kind of stylized pensate for declining income. tt, but I don't think anyone is don't feel a need to rush to buy dollars."

An uncontrolled devaluspiral of problems.

As in Éast Asia, a currency crash would make it more ex-

money. difficult.

ation would risk unleashing a lines in protest. In the early ernment borrowing. The re- the future; the IMF releases

Many analysts point to a Attracting foreign in- Many analysts point to a Monday it will anno vestors, who have largely fled decline in oil prices as the of the next auction. the Russian market, would be spark for the current crisis.

Oil and natural gas are Rus-At home, confidence in the sia's two top exports and its

ruble seemed vulnerable, coal pensate for declining income miners struck for back wages at a time when higher interest fulfills previous conditions, and blocked the country's rail rates increase the cost of gov-1990s, steep devaluations and salt: a squeeze on the treasury high rates of inflation wiped and pressure to print money.

Mr. Kiriyenko had been counting on the sale of a 75

Continued from Page 13 worth of loans would lose much steeper. It would be dy- again in June, at the same asking price of \$2.1 billion. On Monday it will announce terms

Russia's finances have also

been in a mess due to inefficient tax collection. The ritual. Russia almost never but promises to do better in the money on the pledge.

After talks with Russian officials, the IMF released a statement saying that it "welpensive for Russia and sians.

counting on the sale of a 75 statement saying that it were pensive for Russian business "A repeat would be dispersent stake in RAO Rosnett, comed" new budget-nightenpervane russian ousmos astrous," said Mr. Kraus, the a government-owned oil coming measures. It has denied people to pay of that the Russians have already loans denominated in strong analyst at Regent European pany, to provide an injection of that the Russians have already currencies. Businesses might Securities. "In the current funds. But the auction, which made a request for extra go bankrupt and banks in Gerconditions, there could be no
took place Tuesday, attracted money, even though several go pankrupt and panks in Oct.

The government officials here have said the ishave made millions of dollars devaluation. It would be will put the firm up for sale sue was brought up last week.

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ASIA: Warnings Depress Stocks Continued from Page 13 come a reality," he said. If this happens, he said, "there

that totaled 1.29 trillion yen will be much pain." write-offs of bad loans.

75 percent of their portfolios. Indonesian stocks fell 3.9

percent, Thai stocks fell 5.2 percent, those in Singapore lost 1.32 percent, and Aus-may even be negative." tralia's All-Ordinaries fell 1.7 percent, dragged down by the the South China Morning Post, gloom in Asia and a fall in the quoting government econo-Dow Jones industrial average. mists, said the government In Kuala Lumpur, Malaysia's would announce Friday that chief economic adviser, Daim the Hong Kong economy had Zainuddin, warned that the shrunk in the first three months economy could slide into its of the year, its first quarterly first recession in more than a decline in 13 years. decade if economic problems

a recession in the economy adjusted growth of 3.5 perand high inflation can be cent for 1998.

that totaled 1.29 immon yen (\$9.39 billion) in their latest financial year amid massive write-offs of bad loans.

Will be middle pain.

Mr. Tung, addressing a meeting of Hong Kong's diplomatic and foreign media Regarding Indonesia's corps, said: "We are now in banks, the rating concern said the depth of a major economic bad loans made up as much as adjustment, the result of which may be prolonged and painful to everyone. The growth of the economy will fall substantially and indeed

'His remarks came before

In February, in outlining its. budget for the year, the gov-"The threat of stagflation, ernment predicted inflation-

LUXOR INVESTMENT COMPANY (in liquidation)

10A, Boulevard Royal, Luxembourg R.C. Luxembourg B 58.106

Following our appointment by the Extraordinary General Meeting of Shareholders of Luxor Investment Compagny (the "Fund") (in liquidation) dated of April 27, 1998 deciding to put the Fund into liquidation, we, as liquidator, have calculated the distributable net asset per share being USD 6.72, at the end of the liquidation period fixed as at May 15, 1998.

The liquidation not assets have been audited by Coopers & Lybrand, anditors to the liquidation and approved by the shareholders during a meeting held on May 18, 1998. In order to allow us to proceed with the reimbursement from May

26, 1998 onwards of the remaining assets, please send us by return your shares and bank reference(s) (name of bank, account number, exact name of account holder). Please send your instructions and shares by mail to the following

> Banque Paribas Luxembourg IQA, Boulevard Royal L-2093 Luxembourg Fax number: (00352) 46 46 41 44 Atm: Mr Jean-Michel Locht

> > The liquidator

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INVESTING IN THE CZECH REPUBLIC

A NEW URGENCY TO MOVE AHEAD

In the run-up to the June elections, the current government is stepping up its program of reforms.

hen the Czech Republic's government faces the voters in early elections June 19-20, it may find its newfound will to reform facing a public concerned about 10 percent inflation and a 5.2 percent unemployment

For the current government, winning a mandate is crucial; the caretaker cabinet under Josef Tosovsky, former Central Bank governor and now interim prime minister, is hampered in carrying out reforms and privatizations for fear that the next government will roll them back.

Mandate for reform needed

If voters reject the current right-of-center government and fail to give its replacement a clear-cut mandate to carry out planned economic reforms, then, according to Jonathan Stein of the Institute for East-West Studies in Prague. "it's possible that things will get worse before they get bener."

Recent legislation is slowly dismantling the web of crossownership among banks, investment funds and corporations that has hindered the Czech Republic's industrial restructuring and kept last year's industrial growth rate at 1 percent. State officials have also started cracking down on securities fraud, which had put off foreign investors and prevented the

economy from expanding.

Finance Minister Ivan Pilip is laying the groundwork for the first stages of privatization of three of the country's largest banks - the key to restructuring and to the financial health of the entire country.

Encouraging precedents

These sell-offs should be easier now that the state has under its belt this year's sale of fifth-ranked Agrobanka to General Electric for 2.1 billion koruny (\$65 million) and, more important, the sale of its 36 percent stake in third-ranked Investioni a Postovni Banka (IPB) to Japanese investment

"That was successful," says Mark Rooney, a finance and banking consultant with Inventa Manager Program in Prague. The low price of 3.03 billion koruny that the state received because of IPB's bad debts was, he adds, "a huge

step forward for privatization."

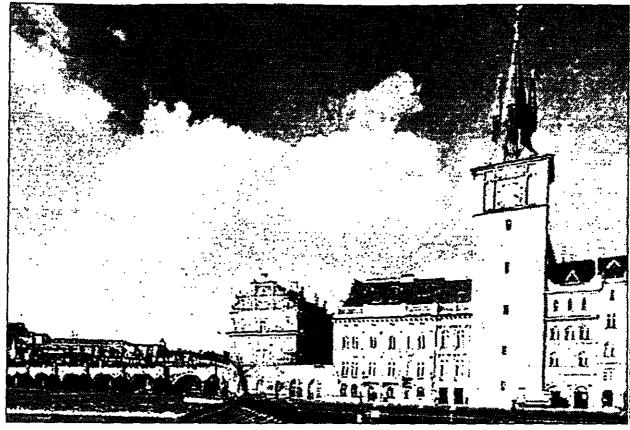
More than 50 other state-owned companies are also to be privatized. A detailed plan for the sell-off of large stakes in 16 electricity and gas distributors is under review, and the state also wants to reduce its holdings in major steelmakers and

Markets stable

The country's equity markets, meanwhile, have been stable; the official PX-50 index is within five points of where it was an equilibrium. People now ment of banking and investa year ago. Boris Gomez, an analyst for ING Barings, says a feel the basis of [last year's] ment-fund legislation, and strong, progressive government could persuade foreign investors to "get more confident on the market."

In an April report, the International Monetary Fund praised the country's "significant structural reform" and its progress in narrowing its fiscal and trade deficits. It forecasts economic growth of 2 percent to 2.5 percent this year, inflation of 11.7 percent and a current-account deficit of 3.6 percent to 4.1 percent of the country's GDP.

In the end, Mr. Stein says, the Czech Republic's desire to join the European Union will give politicians the excuse to solved a year ago with the increase of [state] salaries, aush through needed reforms.



Clearer skies ahead? The IMF predicts economic growth of 2 percent to 2.5 percent this year.

REFORMS MAKE HASTE, BUT SLOWLY

portant financial legislation and pushing for faster cemed. privatization of the country's four largest banks. Here he speaks about the progress and limitations of the country's reforms.

You recently attended meetings of international financial organizations in the United States and Kiev: What kind of feedback did you get from investors?

Czech Republic is coming to such as in the regulatory framework for the financial markets and the privatization very high increase in proof banks. These started to be ductivity. We've limited the two so-called [austerity] and our currency is stable.

inance Minister Ivan packages to restructure the One problem is inflation, people in important positions far as the reforms are con-

> How satisfied are you a year later with the consequences of the austerity packages?

They've been quite successful, especially if you take into account the political situation in which they were prepared. Many of the things that we declared as priorities have been fulfilled, at least The feeling about the partly — for example, bank privatization, the establishreforms was a good one, but the establishment of the Sethere were some mistakes curities Commission. We've that you could hardly avoid: seen some growth in the last some underestimation of the quarter of last year and the problems of the reforms, first quarter of this year. There has been improvement in the current account and a

Helip has made a economy. Now people want but the latest data show that in companies, financial inname for himself as a to know what the aim of the our forecasts and predictions stitutions and controlling inreformer by overseeing im- new government will be as can be fulfilled; 11 percent for this year. The Central Bank's target of 6.5 percent of core inflation should be fulfilled

> Is the new Securities Commission strong enough to be effective in regulating the capital murkets?

It could be stronger, and it should be stronger, but it can function. We're trying to increase its financing.

How much momentum do the reforms have at the moment, and is there enough enforcement to make them

It's all about the ability and qualifications of people. [Reforms have taken more time than we'd hoped, because we don't have enough qualified

stitutions. But it's definitely beginning to improve. Will the reforms continue

ufter the elections? Some see u break in progress if the government changes.

The orientation of the Czech Republic will push any government to continue the reforms. The function of being members of (international organizations] limits domestic politics to some degree. So there's not much

The question is how much time the government needs to realize [the reforms]. If a government of [our] orientation wins the elections, then [reform progress] will be

periment.

WARMER WELCOME FOR INVESTMENT

The Czech Republic is offering more incentives in order to attract direct foreign investors.

or years, the Czechs have tried to compete on a "level playing field" enforced by former prime minister and hard-line free-marketeer Vaclav Klaus. His insistence that good macroeconomic fundamentals, political stability and an inexpensive, highly skilled labor market alone were enough to impress executives abroad kept his country on the sidelines while companies went to other investment havens.

Mr. Klaus's stubbornness has had its price. Investment dropped from \$2.5 billion in 1995 to \$1.39 billion in 1996, and to \$1.3 billion last year, according to statistics from Czechlinvest, the state's foreign-investment marketing agency. This year's first-quarter investment of \$3 million is a mere trickle compared with the \$60 million that flowed into the country in the same period last year.

Ballooning trade deficit and investors' lack of interest, however, forced the government to make an about-face. Last year, the Klaus cabinet started putting together ad-hoc incentive packages for big-name companies such as General Motors and American chip-maker Intel.

The Czechs reportedly have already offered more than 300 million koruny (\$9.37 million) in perks as they pursue American chip-maker Intel and its \$500 million semiconductor plant. The incentives package includes a tax holiday through 2005, creation of a new duty-free zone, 40 million koruny in infrastructure subsidies, free or cheap land and a

140 million koruny interest-free loan for staff retraining.
Investment officials have recently passed crucial incentives package legislation they say will get them back onto the investment playing field. "We're now competitive with other Central European countries," says Radomil Novak, director of the investment-project department at Czechinvest.

Under the plan, the state will waive corporate taxes for five years and grant a tax bonus equal to the amount of money waived. It will also accelerate tax write-offs for machinery and equipment, waive customs duties on all new imported high-tech machinery and defer VAT payments.

Companies won't be able to enjoy some of the features until next year, but that's okay for investors such as Japanbased Toray Industries, which launched a \$150 million textile plant here last year. Matsushita, meanwhile, is busy developing its \$66 million Panasonic television plant in Brno's new development park. One high-tech investor, Taiwan-based First International Computers, has decided to build a \$100 million computer assembly plant, while Showa Aluminum is establishing a \$22 million car component plant.

Though the Czechs are offering their package to companies investing at least \$25 million, Mr. Novak says they have space for some strange ex- not forgotten the need for smaller investments. •

> "Investing in the Czech Republic" duced in its entirety by the Advertising Department of the International Herald Tribune. WRITER: Alex Friedrich in Prague. PROGRAM DIRECTOR: Bill Mahder.

FINANCE SECTOR STILL CLEANING HOUSE

Banks and investment funds should soon become answerable to the needs of investors.

tection of recent banking and of once-mighty fund manas well as the newly established Securities Commis- shareholders. sion, the country's capital rharkets watchdog organiza- Capital & Investment analyst, tion. Together, the reforms says funds' asset portfolios should break the hold that should also become safer and banks and investment funds more diversified as they shed have had on industry through heir cross-ownership.

"There has been a sea change here," says Howard Golden of the Manhattan-Based Central European Privatization Fund. "People are

Investors like Mr. Golden tave been applauding Jan Müller and his Securities Commission, known as the itelna's fund manager SIS. SEC after its U.S. counter- and the participation fund plant. He and his colleagues ZB-PF of Zivnostenska the former chairman of Banka's fund manager ZBthe Prague Stock Exchange, Fomas Jezek, and the former head of the Securities Office, like Western funds. Franitsek Jakub -- have frozen bank accounts, ad- cing banks to clean up their rhinistered fines and put un- poor loan portfolios by more der forced administration a accurately classifying probnumber of investment funds lem loans, increasing loanand brokers.

he Czech government legislation on investment vestors under the pro- designed to curb the powers accountable to minority

Eric Volkman, a Raiffeisen high concentrations of stakes and take on more bonds and foreign securities.

For the first time in years, funds are joining analysts' lists of stock favorites. Brnobased Atlantik Financial Marreform seriously kets has been recommending the investment funds RIF of Investicni a Postovni Banka's fund manager PIAS, SPIF Vynosovy of Ceska Spor-Trust, all of which have high discounts but are managed

New regulations are forloss provisions and more Backing up Mr. Müller is a carefully evaluating the col-

newly passed amendment to lateral backing loans.

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THE WORLD'S DAILY NEWSPAPER

is trying to attract in- funds and companies that is Banka is one of the first the European Monetary Unbanks to start complying. ion. "We have to be ready,"
Now that the state has sold says Komercni's European investment-fund legislation agers by making them more off its 36 percent stake in IPB Union advisor, Michael Toto the Japanese bank masek. Nomura has Nomura.

ship between IPB and its investment fund manager Plchief executive officer, Jan

IPB, Komercni

Investicni a Postovni the country eventually joins says Komercni's European

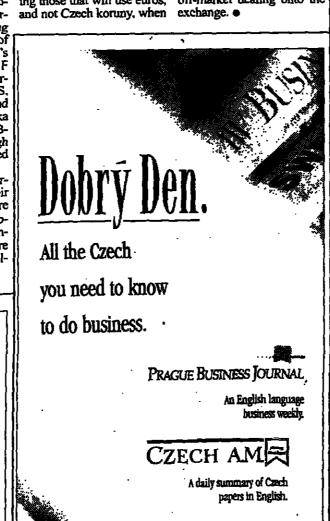
European integration is pledged to make the relation- also providing new challenges for the Prague Stock Exchange. Its newly elected "as transparent as chairman, Petr Budinsky, a possible," according to IPB's deputy chief executive officer at Komercni, has pledged to make the markets more liquid and transparent Banka is preparing itself for by overhauling bourse regnew retail clients — includ- ulations and pushing more ing those that will use euros, off-market dealing onto the

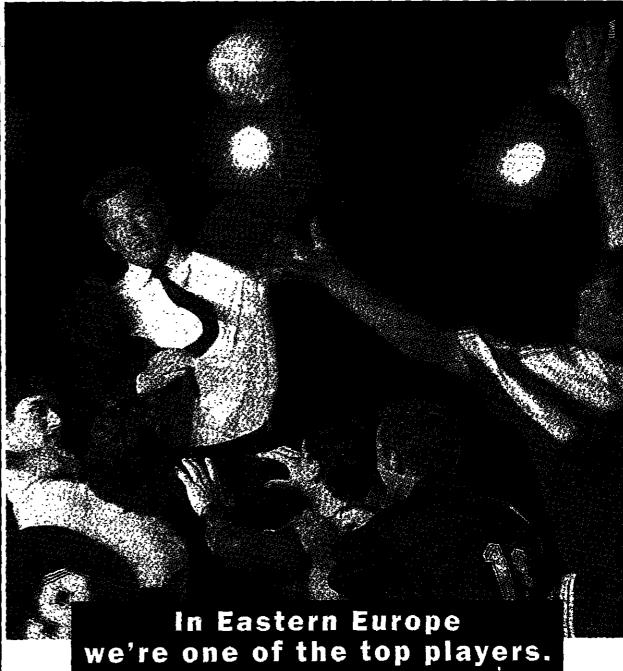
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Noe Gains Victory

CYCLING Andrea Noe gained his first career victory Wednesday when he won the lith stage of the

Tour of Italy.
Noe, an Italian with the Asics team, finished seven seconds ahead of countryman Marco Pantani.

Noe completed the 220-kilometer (136.5-mile) course from Macerata to the mountain republic of San Marino in 5 hours, 12 minutes, 20 seconds. Noe had shared the lead with Chepe Gonzales over the final five kilometers, but he dropped Gonzales on the final uphill stretch and held off the pursuing Pantani, a noted climber.

All the top riders finished close behind, and Alex Zulle retained the overall leader's pink jersey. He is five seconds ahead of Michele Bartoli and 50 seconds in front of Luc Leblanc, with Pantani also within a minute of the lead. (Reuters, AP)

Fleming Rallies Kiwis

CRICKET Stephen Fleming hit 78 Wednesday as New Zealand reached 282 runs for seven wickets on the first day of the first test Colombo. (Reuters)

WAC Splitting in Half

COLLEGE The Western Athletic Conference, the largest in U.S. college sport, is on the verge of split-

ting in half.
Eight of the 16 WAC schools announced plans to form their own league, citing a loss of traditional rivalries, rising travel costs and insufficient revenue growth.

Air Force, Brigham Young, Colorado State, Nevada-Las Vegas, New Mexico, San Diego State, Utah and Wyoming said they plan to form a new conference imme-

The schools not leaving the WAC are Fresno State, Hawaii, Rice, San Jose State, Southern Methodist, Texas Christian, Texas-El Paso and Tulsa.

 The NCAA, which runs U.S. college sport, agreed Tuesday to revise policies that the Justice Department said annually prevented hundreds of students with dyslexia and other learning disabilities from playing college sports and getting scholarships. (AP)

FIFA Can't Agree on Vote

SOCCER The executive committee of FIFA, the governing body of world soccer, failed to agree Wednesday on the voting system to be to president Joao Havelange at its congress in Paris on June 8.

Havelange said the congress would have to decide. He said he would prefer that each national delegation send one member to vote in a voting booth but that committee members from Africa and Oceania had called for each delegation to choose whether to vote in a booth or at their seats in the congress hall.

Sepp Blatter, the FIFA secretarygeneral, and Lennart Johansson, the UEFA president, are the two candidates for the presidency. The committee admitted six members: Palestine, Mongolia, Eritrea, Turks and Caicos, the U.S. Virgin Islands and American Samoa. (Reuters, AP)

WORLD ROUNDUP Trying to Play Tennis Amid Fires Back Home

Indonesian Women Struggling at Open

By Christopher Clarey
International Herald Tribune

PARIS - There were youngsters in every cranny and nook of Roland Garros on this soggy Wednesday. It was children's day: an annual occasion high

on enthusiasm and low on decorum.

Children chanted "Vey-noose" 'Vey-noose' for Venus Williams as she crushed Ai Sugiyama of Japan. Boys tried to leap concrete barriers on Court Central to get a better seat; girls lined up for the autograph of the handsome Swede, Thomas Enqvist.

But inside the players' lounge, a young Indonesian named Wynne Prakusya had weightier matters on her

Twelve days earlier, Prakusya, a finalist in the junior girls event at this vear's Australian Open, had sat in her hotel room on the 17th floor in downtown Jakarta and watched as smoke rose from the buildings and vehicles below. Indonesia's capital was in the midst of protests that brought down the country's longtime ruler, President Suharto.

Things were so bad, so scary there was burning, burning, burning everywhere," the 17-year-old said.

Buildings were not only burning in Jakarta. Approximately 400 kilometers (250 miles) east in Prakusya's home city, Solo, her grandmother's house and sporting-goods store were also in flames. Prakusya's family is part of the ethnic Chinese minority in Indonesia which was the main target of the loot-

One of the objects missing is the 10pound (4.5 kilogram) trophy that Prakusya received for winning a women's satellite event in Dubai recently.

"I was like so mad," she said. "It was my first trophy in a seniors event, and now it's gone.

Prakusya said none of her family members were injured during the rioting and that her parents' property escaped serious damage, although an aunt's home was looted. Prakusya said her father, an agent for a cigarette company in Java, her mother and siblings all had fled to Singapore. Her grandparents remain in an Indonesian hotel.

Although the violence has abated and Suharto has resigned, Prakusya is con-

"I feel sorry for the country because they have gone back thirty years," she said. "I worried for my family because they are Indonesian and they are Chinese, but every time I call them, they say, 'It's OK — just play there and play your game and don't think about home.'

Because of the rioting, Prakusya had to delay her flight to Europe. She spent the week back home wearing dark sunglasses whenever she ventured out in public. "People are looking at your eyes, trying to see if you look Chinese,"

She arrived in Paris on Monday and will play in next week's junior event at the French Open. She is preparing with her new mentor, Yayuk Basuki. Basuki, the best of Indonesia's tennis-playing women, reached the fourth round at Wimbledon last year but lost in the first round in Paris on Monday.

Basuki, an ethnic Indonesian, has been working with Prakusya since the Australian Open. She spent a nervous night waiting by the telephone in Berlin, where she was playing a tournament. when her family in Jakarta lost contact with her older sister, Mamiek, amid the

"It turned out that all the telephones were shut down in her office, so she couldn't call anyone, and she didn't feel it was safe to come home by herself," Basuki said.

Basuki owns property in Indonesia but moved most of her money out of the country last year because of fears about its economic stability. She is not certain when she will return.

But she is certain of this much: no matter how Prakusya's eyes look underneath her sunglasses, they are equally Indonesian.

'I was born there," Basuki said. "She was born there."

Thursday's Top Matches

Gustavo Kuerten (8) vs. Marai Safin Last year's surprise meets this year's surprise.

Yevgeni Kafelnikov (6) vs. Thomas Enqvist Can Enqvist, a longtime Grand Slam underachiever, overachieve against the former French Open champion?

Nicolas Kiefer vs. Thomas Muster After a rain delay, Muster tries to delay Kiefer's rise on Court Suzanne Lenglen, where youth has



Marcello Rios keeping his eye on the ball Wednesday as he volleys against Emilio Alvarez in the French Open.

Another Giant-Killing: Sampras Out

By Christopher Clarey International Herald Tribune

PARIS — When it ended in the gloaming on the sort of heavy red clay that Roland Garros was once famous for, Ramon Delgado was facing the net with a Paraguayan flag in his hands, and Pete Sampras was facing a long, un-comfortable plane ride home.

For the second straight year, his dream of winning the French Open had ended against a relative unknown on the Suzanne Lenglen court. Last year, Magnus Norman, a Swede, upset Sampras in the third round. This year in the second round, it was the 97th-ranked Delgado's turn to make a reputation at the number one's expense by winning 7-6 (8-6), 6-3, 6-4 on Wednesday.

"I knew he could play; all these guys can play," said Sampras, who had struggled to beat Delgado in two tiebreakers in a tournament in Atlanta earlier this month. "This is the toughest major to win by far. There are no easy matches. There are only so many good grasscourt players, but there are so

many good claycourt players."

Sampras has won 10 Grand Slam singles titles, none of them on the Parisian clay. In nine appearances at Roland Garros, his best performance was reaching the semifinals in 1996.

"I don't look at it as an obsession," said Sampras, who will be 27 when he returns here next May "That's not my personality, but I think of it as a challenge. I'm going to do everything I can to win one time here. Each time I come back I'm one year older, but I'm not anywhere close to done with tennis. I'm looking at a lot of good years ahead of

me. But every year you lose, you do think of it as a missed opportunity." Wimbledon might be better known for its foul weather, but foul weather has a greater impact on matches at the French Open. Sampras led 4-1 in the opening set when showers forced the match to be suspended. Conditions on court were already slow and heavy, but when he and Delgado returned two hours later, it was even more difficult to make the ball accelerate.

The conditions are unbelievably heavy," Sampras said. "The balls are a little softer than last year. It's tough to put the ball away out there."

Sampras could have made it easier on himself by converting on the break point he had on Delgado's opening service game, but he failed to take a 5-1 lead and before he knew it. he was in a tiebreaker, which Delgado won with a backhand winner down the line after Sampras's return struck the tape and landed short. The irony was that for all Sampras's power and attacking weapons, it was Delgado, 21, who was more aggressive under pressure.

When he served for the match approximately one hour later, Delgado pushed forward again. At 30-15, he came to net and hit a forehand volley that Sampras reached but struck into the net on the run. At 40-15, Delgado came ' in again. This time, Sampras's back-

hand passing shot struck the tape.
"I just told myself that I had worked all my life for this and at this moment I had to go for it," Delgado said. "I spoke to my family last night, and they said the whole country was waiting for this match. Maybe they're happy like me

It was the biggest victory for a Paraguayan over an American since 1987 when Victor Pecci led a Davis Cup ambush of the United States in Asuncion.

Delgado's victory was the second victory for a little-known South American on the same court in 24 hours. On Tuesday evening, Argentina's Mariano Zabaleta upset No. 2 seed Petr Korda.

But not every South American winner on the Lwenglen court Wednesday was an unknown. Earlier, Marcelo Rios. the No. 3 seed and top remaining men's seed, beat Spain's Emilio Alvarez 6-4. 6-2, 6-2. If Rios reaches the final he is: certain of taking over as world No. 1.



Darren Anderton of England, No. 7, facing Morocco's Abdelkerim El Hadrioui.

18-Year-Old Strikes as England Beats Morocco

CASABLANCA, Morocco - Michael Owen scored the first senior international goal of his career to give England a scrappy 1-0 victory over Morocco on Wednesday.

The 18-year-old striker scored after excellent play by Sol Campbell and Steve McManaman after 59 minutes. Owen turned past Abdelkarim El

Hadrioui and then ran 20 meters before placing the ball past the goalkeeper, Driss Benzekri. Morocco, which will play in the ame World Cup group as Brazil.

showed some nice touches but its finishing was poor. South Kores 2. Czech Republic 2 South Korea recovered from a twogoal deficit to draw, with the Czech Republic in Seoul.

Jiri Nemec and Vratislav Lokvenc put the Czechs, who failed to qualify for the World Cup, ahead by 2-0

WORLD CUP COUNTDOWN

at halftime. Hwang Sun-hong scored from a rebound and Choi Yong-soo equalized after a goal-mouth melee.

Norway 6, Saudi Arabia 0 Norway thrashed its fellow World Cup finalists in Molde, Norway. Ole Gunnar Solskjaer scored twice, Kjetil Rekdal, Egil Ostenstad, Tore Andre Flo and Roar Strand once each.

CROATIA Miroslav Blazevic, the Croatian coach, sent Igor Cvitanovic home after the attacker refused to run a few extra training laps, a Croatian newspaper reported Wednesday.

was exhausted." Cvitanovic saod. "It seems some can have the luxury of being worn down, and I obviously can't."

Davor Suker, Zvonimir Boban and Robert Jami, were spared extra laps Tuesday after complaining they were worn out from a hectic club season.

SCOTLAND Andy Goram, the Scotland goalkeeper. flew back to Britain on Wednesday after quitting the team, just 15 days before the World Cup

opener against Brazil.

Goram, 34, said he was retiring from international soccer because of tabloid reports about his private life.

Goram, who has made 43 appearances for Scotland, had been set to play in a warmup against the United' States in Washington on Saturday.

The starting role goes to Aberdeen's Jim Leighton. Celtic's Jonathan Gould has been added to the squad.

Goram played last season for Glasgow Rangers. He has long been a favorite of the tabloids, which have described what they call his "wild man" lifestyle. The latest story. claimed he had an affair with a former employee of Celtic, Rangers' local; (AP, Reuters)

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(7), Eckansley (8), Gardon (9) and Hoffeberg,
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1-2. HRs—Montreol, R. White (6), Andrews (10), Atlanta, Goldroga (18), 1. Lopez (12), Los Angeles 010 180 000—2 9 2 Houston 020 880 38x—12 11 7 (10), Albrita, Goldrog (18), 3, Lopez (12), Los Angeles (10 188 000—2 9 2 Houston 220 880 39:—12 11 7 L.Valdes, Bruske (5), D. Reyes (8) and C. Johnson: Reynolds, Magnante (9) and Eusebio, W—Reynolds, 5-3, L-4, Valdes, 4-6, KR—Los Angeles, Mondesi (12). Methelumin and 180 018—2 6 8 Rincon (8), Loiselle (9) and Kendali. Wickman (8), M. Myers (9) and Mai

Diego, R. Rivera (1) JAPANESE LEAGUES

PAL LEAGUE

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BASKETBALL WORLD CHAMPIONSHIP OMER'S PHILIMINARY RESULTS

any 89. DR Congo 37 Australia 92, Cuba 86

Hungary 71, South Korea 65

Авака**на ва.** Сеппану 69

CRICKET HTW ZEALAND VS. SRI LANKA FIRST TEST, 1ST DA SDAY, IN COLOMBO

CYCLING

GIRO D'ITALIA (136.5 miles) from Macorata to San Marino: 1. Andrea Noc. Holy. Asics. 5 hours, 12

minutes, 20 seconds; 2. Marco Pantani, Italy, Mercatone Una, 7 seconds behind; 3, Povel Torkov, Russia, Mopel, 10 seconds behind; 4, Dovide Rebellin, Italy, Polit, 5.1; 5, Ivan Goffi, Italy, Soeca, 5.1; 6. Michaele Barriol, Italy, As-ics, 5.1; 7. Alex Zulia, Switzerland, Festina, 5.1; 8. Luc Leblanc, France, Polit, 5.1; 10. Gi-useppe Guerial, Italy, Polit, 5.1. Zulie, 54 QVERRALL, STANDBROSE, 1, Zulie, 54 Rouse, 8 (minutes, 55 seconds; 2, Rondoll, 5

Scotti, 1:03: 7. Gotti 1:04: 8. Dario Frigo, Italy,

SOCCER

South Korea 2, Czech Republic 2

Norway 6, Saudi Arabia 0 England 1, Morecco 0

TENNIS FRENCH OPEN

WEDNESDAY RESULTS MEN'S SINGLES Albert Costa (13), Spoth, def. Marc-kevin Boelinez, Germany, 6-4-6-3 e-1: Marceto Rios 3), Chile, def. Emilio Alverez, Spain, 6-4-6-2 -2: Wayne Ferreira, South Africa, def. Mag-us Norman, Sweden, 6-4, 6-4, 6-4, 9-4, Uphan an harck, Belgium, def. Jordi Mas, Spoin, 6-7-6-(7-4) 7-5. Fernando Meigani, Brazil, def. Vincent

Van nertic negarite urt. Julia Prinsa Specia v. 37-6 (7-4) 7-5.
Ferriando Mesigani. Bruzil. def. Vincent Spadea. U.S., 7-6 (7-5) 7-6 (7-3) 6-3; Bahdan Ufitrioch, Czech Republic, def. Mark. Philippoussis, Australia, 3-6, 6-7 (277), 7-5, 6-4, 9-7; Jens Krilppschild, Germany, def. Jim Courler, U.S., 6-4, 6-2, 6-3; Todd Woodbridge, Australia, def. Guillouime Roous, France, 6-4, 4-6, 10-0.
Raman Delgada, Pareguay, def. Pete Sampras (1), U.S., 7-6 (8-4) 6-3 6-4.

SECOND ROUND IS Williams (8), U.S., def. Al Sugiyama, 6-0, 6-2: Jana Novatna (3), Czech Re-def. Emilie Lolt. France, 7-5 6-0: Mar-

tino Hingis (1), Switzerland, def. Meike Ba-bel, Germany, 6-1 4-2: Alexia Dadis

nno Hingis (1), Switzerland, def. Meike Ba-bel, Germany, 6-1 6-2: Alexia Dechoume-Ballerat, France, def. Adriana Gerst, Crech -Republic, 6-2 5-7 6-1. Karina Habsudova, Slovalda, def. Nicole -Proft, Australia, 7-6 (7-5) 6-2: Elema Tatarkova, -Ukraine, def. Kveloslava Hindickova, Crech -Republic, 6-4, 6-1: Rarbaria Schwartz, Austria, def. Miritam Overnans, Netherlands, 6-4, 6-2: -Anna Sarreshova, fersal def. Europanusia.

TRANSITIONS

BASEBALL FICAH LEAGU BALTIMORE—ACharded RHP Terry Matheus from 15-day disabled list. Optioned RHP Nerio Rodriguez to Rochester, IL. Bostout—Put 2B Mark Lemke on 15-day disabled list. Recalled RHP Joe Hudson from Destructure.

MINNESOTA-Put RHP Bob Tewksbury on 15-day disabled list, retroctive to May 23.

QARCAN D—Extended contract of Grady Fuson, director of scotting, through 1999 season.

TAMAPA SAY—Refersed OF Jerome Walton,
Put C John Flatherty on 15-day disabled 8sf.
Bought contract of CTIm Laker from Durham.

HOUSTON-Signed RHP-3B Derek Stanford.

rom Tucson, PCL.

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SPORTS

Count' Ris Team Rides On Veggie Power Steak at night. For brez vou would have veal or result have r

min but he rode honorably and it's mostly chicken. did represent his country in 10 world championships and the digest red meat, it takes so 1976 Olympic Games. Now much of your energy. You're he coaches a team in his im- supposed to race and you're age: hardworking and direct, nothing fancy. A meat and potatoes kind of team, one could say — but shouldn't.

supposed to race and you re using your energy instead to digest a steak.' he said.

'Think of a racehorse: He runs fast on a diet of grass.'

Make it a wheat germ and potatoes kind of team or a soya and potatoes kind of team or a veggieburger and potatoes kind of team. Hold the meat. For Hayton is directeur sportif of the Linda McCartney Pro Racing Team, the first in memory to be sponsored in the cause of a vegetarian diet.

Why not? Insurance compamies and supermarkets sponsor see the East Germans at the teams, as do lotteries and the next table, gorging themmanufacturers of industrial ad-Rights Abuse on Re the sport has room at the table In Nigeria, EUsm team in Italy) and Hot Dog times about diet."
Willy (a sponsor in Belgium), it has room for nutburgers.
"Linda was into Green is-

sues, very much so," said Hayton, referring to McCartney, who died last month.

She thought cycling was a good trailer for what she begoing out and getting more exercise.

A photographer, a keyband Paul's post-Beatles bands and a champion of animal rights, she also pubshed two cookbooks and started a line of frozen vegetarian dinners.

in March with the idea of not on his French teams when he only winning races but also declined meat, fish and eggs. promoting a meatless, fishless and eggless diet. Unlike doing it to annoy them," he his riders in the Prutour, said. "It was a bit of a hassle which began in this town last the first couple of years, but weekend, the 45-year-old when you're one of the best says he has gone on the diet win, the French think of it as and "You can't tell the difference in taste.'

A typical breakfast, he explained, would include baked ing, Hayton said that his role beans, lasagna, cannelloni, involved no proselytizing coffee and toast. "And cereals, of course. We love muesti." For dinner, "veggies,

Bicycle riders pack away the groceries on a race day, consuming 7,000 to 8,000 calories each. It's fuel, of course, and the machine their bodies - stops without it. But instead of the red-meat heavy air of hot grease. No meals of yore, the trend is to

lighter cuisine. The old-fashioned way grab a Double Whopper? was red meat in the morning and evening," said Johnny Weltz, the directeur sportif of the U.S. Postal Service team realized he was being teased and a former rider. "Always and broke up laughing.

en. Now you have muesli, TIRLING, Scotland - rice, pasta in the morning and As a bicycle racer, Dud-ley Hayton never won anything major outside Bri-than before. If you have meat,

Look how long it takes to

Still, there are dissenters. Mark Gorski, the manager of Weltz's team and a goldmedal winner on the track in the 1984 Olympic Games in Los Angeles, has recalled differences in eating habits.

"I've used special diets, like a vegetarian diet with lots of vitamins." he told the writer Peter Nye. "Then I'd selves on greasy French fries hesives and rattan furniture. If and wiener schnitzel. The East Germans would go out on the for McDonald's fast food (a track and set world records. It secondary sponsor of the Polti does make you wonder some-

HERE ARE no similar doubts for Robert Millar, a Scot who was a formidable climber in the Tour de France and once finished second overall in the Vuelta a Espana. He was a lieved in. She was for people pioneer vegetarian a decade "Not for ethical reasons." he explained, "it's that a vegetarian diet suits me boardist with two of her hus- better. I recovered better, I didn't have the intestinal problems that so many riders develop in long races.'

Millar, the directeur sportif of the Scottish team in the Prutour, recalled the negative The team was put together attitudes of officials and riders

At first they thought I was Hayton is not a vegetarian but riders in the team and you some kind of whim." Watching his six riders

prepare for the start in Stirlwhen he met with officials and riders of rival teams.

"We just talk cycling." into it deeply. But you'll find there are more vegetarian riders than you think. The ones that aren't, they won't eat as

much red meat as you think." Just behind him as he spoke was a fast-food outlet with its chance, was there, that Hayton might sneak in and

He looked astounded. "No, no, no," he protested.
"I've never ... Then he



The Indians' third baseman, Travis Fryman, tagging the Tigers' Brian Hunter, who went for one base too many.

Braves' Home Hurler Routs Expos

The Assistancel Press

Denny Neagle gives the Atlanta Braves an extra home field advantage. Neagle (7-1) improved to a career 15-1 at Turner Field, pitching seven strong innings in Atlanta's 9-3 victory over the

Montreal Expos on Tuesday night. Since the start of 1995, when he was with Pittsburgh, Neagle is 30-3 in 52 home starts. The left-hander pitched well Tuesday despite arriving at the park with a stomachache and fouling a

ball off his right foot in the fifth. The Braves improved to 20-5 in May. The 20 victories are a team record for May and match the most by the club in

any month. Javy Lopez hit a grand slam in the seventh, capping a five-run inning. Andres Galarraga added a two-run shot for the Braves.

Mets 10, Marlins 6 Butch Huskey drove in five runs, all in a nine-run sixth inning, as New York rallied from a 5-1 deficit for victory in Miami.

Huskey doubled home the first two runs in the inning, then doubled again to drive in the final three runs. The major league record for runs batted in during an inning is six.

who struck out his first three times up, hit a two-run single in the bottom of the ninth inning as Milwaukee snapped a five-game losing streak by beating Pittsburgh. The Brewers began the winning rally with a pinch-hit single by Bob Hamelin, who then was lifted for a pinch-runner, Darrin Jackson.

Giants 5, Rods 2 Brian Johnson and Bill Mueller homered in a four-run seventh as San Francisco rallied to win in

Astros 13, Bodgers 2 Bill Spiers hit a yegetable pies, veggieburgers said. "If we do talk about a two-run triple to highlight an eight-run which are really nice -- vegetarian diet, we don't go fifth inning, and Houston beat visiting seven games.

Padres 12, Dia initi drove in four runs and sparked a five-run third inning with a double as San Diego won in Phoenix, ending its season-high, three-game losing streak. In the American League:

Yankees 7, White Sox 5 Paul O'Neill hit a three-run homer that erased an eighth-inning deficit, and New York overcame a shaky outing from pitcher Andy Pentitte to win in Chicago.

"Pettitte was not very good," Yankee manager, Joe Torre said. "He walked a high wire all over the park, but managed to get the double plays."

This is a good Yankee ballclub," said the White Sox manager, Jerry Manuel. "We sent out a kid right out of college to face a guy who pitched in the World Series. When battling those type

of odds, we're going to stay positive."
Jim Parque, a 22-year-old left-hander who became the first 1997 draft pick in

BASEBALL ROUNDUP

the majors, was gone by the time O'Neill hit his fourth homer of the season with the Yankees trailing by 4-3 and two men

Parque, who played for UCLA last season, allowed two runs and five hits in four-plus innings.

Indians 9, Tigers 2 Travis Fryman hit a disputed homer as Detroit lost in Clev-

With the Indians already leading, 4-0, Fryman, a former Tiger, hit a shot to the top of the 19-foot wall in left. A fan on its own.

Orioles 8, Mariners 3 Scott Erickson

Blue Jays 5, Red Sox 2 Mike Stanley drove in three runs with a homer and a double, and visiting Toronto extended its winning streak to a season-high four

Devil Rays 7, Athletics 2 Rolando Arrojo (7-3), a rookie, allowed two runs

reached over the vellow home run line and appeared to catch the ball and pull it over the fence. But replays showed the fan missed and the ball cleared the fence

gave up one run and five hits in eight innings, and Joe Carter homered as Baltimore beat Seattle.

games by beating Boston.

and five hits in five innings with seven strikeouts as Tampa Bay won in Oak-

Stars Come Back to Life, 3-1

By Joe Drape New York Times Service

DALLAS — The checking line scored, the goalie brawled, and by the end of a bruising evening the Dallas Stars had battered the Detroit Red Wings, 3-1, to send the Western Conference finals to Detroit with the fourof-seven-game series knotted at one game each.

In a complete reversal from their docile, 14-shot loss to the Red Wings in Game 1, the Stars spent 60 minutes

NHL PLAYOFFS

on Tuesday cleaning the plexiglass with the same quick-skating Detroit like props at an ice show on Sunday.

Barely six minutes into the opening period, the Stars' Bob Bassen faked Detroit's Chris Osgood in front of the net, then sailed the puck over the shoulder of the goalie's glove hand.
"We haven't been able to score

lately, so we tried to play with our energy," said Ken Hitchcock, the Stars' coach. "I think when Bassen put it through, half our guys didn't believe it was a goal, it's been so long. It's been creeping into our minds that we couldn't score."

Bassen, who plays on the Stars high-energy checking line, had been one of four Dallas forwards who had not scored in the playoffs.

The Red Wings came out firing to begin a rugged second period, banging six shots at Eddie Belfour in the first three minutes. But then two Stars' defensemen, Darien Hatcher and Craig Ludwig, began drilling Red Wings to the boards.

With 8 minutes 48 seconds left in the second, Dallas extended its lead when Greg Adams skidded a hard, wobbly shot between Osgood's legs. Dallas lifted its defensive effort

when Detroit narrowed the lead to 2-1 with seven minutes left in the second period on Vyacheslav Kozłov's breakaway shoulder.

The Stars' renewed aggressiveness extended to Belfour, their goaltender, who was brilliant in stopping 27 Detroit shots and holding the Red Wings to 0-for-6 on the power play. But Belfour won the largest appreciation from the sold-out Reunion Arena crowd for a scuffle in front of the net. When Detroit's Martin Lapointe pounded him into the net, Belfour took off after Lapointe with a stick and then traded punches with Brendan Shanahan.

CALVIN AND HOBBES

SOMETHING ! I HIT HEY, LOOK!

Bird's Message: 'You Can Do It'

Coach's Experienced Hand Guides Pacers' Title Quest

By Selena Roberts New York Times Service

CHICAGO - No matter how daunting the situation. Larry Bird's voice has been as soothing as a warm bath for the Pacers. His words and advice have had a way of re-

rely on Bird's demeanor, we told them," Bird said. trusting him when everything is spinning out of control. They've grown to believe it

NBA PLAYOFFS

when he tells them they can win a title. Now they will lean on Bird once again when they face the Bulls at the United Center without a key element to their success: Jalen Rose.

Rose, a savior off the bench, was suspended one game by the National Basketball Association on Tuesday bouncing in hyper circles like for leaving the Pacers bench tween Reggie Miller and Ron was about as expressive as the Harper in the series-tying Game 4 on Monday, Rose was due to miss Game 5 of the change his face from the mo-Eastern Conference finals on ment Miller hit his 3-pointer Wednesday as a result.

tape, Rod Thorn, the league's at the buzzer. vice president of operations. issued a series of fines but did stress and pressure," Bird not suspend Miller or Harper, said. "They're going to finding no punch had been thrown by either player. They know I've been there Harper was fined \$3,500 for before. They're watching me. instigating the fight when he And pulled Miller into the Bulls' bench with 4.7 seconds left in the game. Miller, who retaliated with a shove, was fined \$2,500.

The Bulls' coach, Phil Jackson, felt the financial pinch, too. He was fined bring them back. \$10,000 by the league after he ridiculed the referees in Game 4. He also questioned the ref- has played an integral part to erees' courage when they did the Pacers' bench success. not call a technical foul dur- Not only did he average 11.5 ing the melee.

'It's playoff time and

everyone gets riled by what's bumping Jordan into four going on," Bird said Tuesday fourth-quarter turnovers in in response to Jackson's com-plaints. "The Bulls aren't With Miller still nu used to losing. They are used sprained ankle and unable to to rolling though the playoffs. track Jordan for any length of We've given them more of a time. Rose will be missed. challenge than they thought Bird seemed to sense Rose we would.

taken turns wearing down Michael Jordan with Derrick flustered. McKey, might be an unnerving blow for another team. have the right people," Bird But there is something about said. "I've told these guys the Pacers that does not allow that they're good enough to fear to settle into their consciousness. Bird doesn't al-

of motivational speakers or they're just satisfied beating infomercial pitchmen, but it Chicago two times, they'll works. Part of this can be at-never win it. If they listen and tributed to his name. Larry believe, they will.

Bird talks, people listen. But getting players to absorb a message and live the lingo is different.

"Maybe three months ago, I took Mark Jackson and Reggie in my office and told them they're part of a very special team with enough talent to win a championship if they The Pacers have grown to stuck together and did what "Deep down, I don't know if they believed that at the time. But I know good and well that if they stick to what I tell them they need to do, they have an opportunity to win a title.

They've got to believe me. If they say yeah, yeah and just play, they're not going to

They have not let Bird down, and vice versa. He has been there for them to lean on and dance around, too. With the crowd roaring and Miller a ballet-school toddler near area during the skirmish be- the end of Game 4, Bird's face Mona Lisa

The unmoved Bird did not with 0.7 seconds left to the After reviewing the video instant Jordan missed his shot

· "There's obviously a lot of watch every move I make: they're needing someone to lean on.

"They don't someone to hoop and holler with them. When we do make big plays, or the other team makes a run, it's my calming influence that's going to

There will be adversity to overcome in Game 5. Rose points in Games 3 and 4, he was one of the fresh bodies

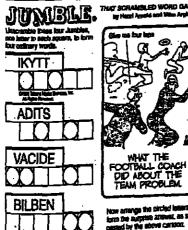
With Miller still nursing a would be suspended earlier Losing Rose, who has Tuesday. Once again, he was ken turns wearing down very matter of fact and un-

"We hope tomorrow we'll win if they give me the effort. They've got to make it hapow it. pen. They've got to be the Bird's style is not the stuff team that's the aggressor. If

DENNIS THE MENACE



" I THINK YOU'RE RIGHT, MOM. DIRT JUST ROLLOWS ME AROUND."



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OUT THE WINDOW



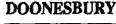




GOSH, WHAT DO YOU SUPPOSE IT IS?













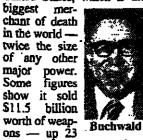


ART BUCHWALD

More Big Guns for All

news, you see groups of well-armed men in different coun-"Where do these people get their lethal weapons from?"

biggest merchant of death in the world --twice the size power. major Some figures show it sold \$11.5 billion



percent from the year before. problem except that there are had it. Now with a new supply conflicts of interest within our of weapons they will be at government. For example, the each other's throats again." Pentagon sells enough guns and war supplies to set the capital of any nation on fire.

Washington Post Service SEOUL — South Korea will restage its Miss Korea pageant on Saturday because a computer malfunction apparently caused the wrong wornan to be crowned on national

television last Saturday night. The computer system designed to quickly tally the results skipped one of the judges, and viewers all over South Korea were talking Tuesday about the embarrassing episode. The 20-year-old winner, Choi Ki Hyun, has lost her tiara, but she'll be back in competition Saturday. And the judges may resort to paper and pencil.

WASHINGTON — Every time you turn on the the two goes something like

The Deputy Secretary of tries shooting at each other. Peaceful Negotiations at the The thought must occur to State Department calls the others, as it has to me, Deputy Secretary of Penta-Where do these people get gon Big Bangs and says, "I hear that you just sold \$10 million worth of land mines United States, which is the and flame-throwers to the Re-

public of Doggerel."
"Yes, we did," says the
Pentagon secretary. "It was a
tough sale because Doggerel terrorists wanted nuclear warheads on their flame-throwers and so did the government troops they are fighting."

"See here, we've been working for a cease-fire in Doggerel for three years, and since both sides were running Ordinarily this would be a out of ammunition we almost

"The Pentagon does not The State Department's role allow peace negotiations to interfere in its arms sales program. Our job is to get rid of everything we have so we can Uneasy Lies a Crown: buy more equipment. With-Rerun for Miss Korea out our big-spending customers we would be a third-rate

> "Why have you sold so much stuff to the Middle

"Why don't you people at State get real?" "Because some of us over here believe that selling fighter planes to China can disrupt relations with India. This could eventually force us to intervene and send our troops into Bangladesh."

"It doesn't matter what you believe. Our arms clients are our friends, and we'd rather they, and not the other side, have our weapons."

"What other side?" "The ones that just bought

Robert Stone, on the Trail of Authenticity

By Ralph Blumenthal New York Times Service

TEW YORK — A zealottangled Jerusalem just a bomb blast away from Armageddon may be a hard act to follow. But now that his acclaimed literary thriller "Damascus Gate" is ensconced on the best-seller lists, Robert Stone is mulling over his next book. It might

said over a celebratory dinner in Manhattan, an interlude, wedged into a busy day of readings and publicity appearances during a nationwide book tour. "I may not frankly love every minute," be added, "but I sense it's where I belong." He has not exactly disdained his

hometown. His first book, "A Hall of Mirrors," about New Orleans, came to him while he was living on the Lower East Side in the 1960s. And New York figures in a quasi-autobiographical short story, "Ab-sence of Mercy," about a good Samaritan who comes to the aid of a terrorized woman on a subway platform.

'But wherever I came from, authenticity was somewhere else." he said. "I went off in search of authenticity.

So "A Hall of Mirrors," published in 1964, drew on experiences gathered during an extended welfare-budget honeymoon in New Orleans, a caldron of a city that he peopled with skid-row outcasts and shadowy rightist conspirators. A free-lance reporting trip to South Vietnam in 1971 furnished the backdrop for his second novel, the award-winning "Dog Soldiers" (1973), a corrosive tale of heroin smuggling and American betrayals.

"A Flag for Surrise" (1981) was

set in another exotic war zone, an ersatz Nicaragua convulsed by bestial civil war. "Children of Light" (1986) took on Hollywood through the pitiless lens of doomed lovers on a Baja movie set. "Outerbridge Reach' (1992) set a prototypically

rootless Stoneian hero adrift on a cruel sea that swallows him. "Damascus Gate," Stone's exegesis of the fevered obsessions that overlap and collide in the holy city, follows a conflicted half-Jewish lumpen-journalist, Christopher Lucas, as he researches a book on messianic delusions, while trying to puzzle out where his own loyalties lie. In the process, he stumbles across a diabolical plot to be something about Alaska, It might be a comic novel. It might conceivably tackle New York City.

"I want to come home," Stone blow up Muslim shrines as a means to hasten the coming of the Messiah

"I was trying to make the end funny," said Stone. "In life, it happens all the time."

But frighteningly, he said, four such terrorist conspiracies have actually been foiled in recent years. Still, he said, even after seeing the strife up close and being trapped in an intifada riot, a scene he renders graphically in the book, "I'm not completely pessimistic."
Clearly, however, his sympath-

ies lie with the ousted Labor Party against the current Likud government of Prime Minister Benjamin Netanyahu. But Stone rejected one reviewer's critique that his book lacked moral weight by equating Israeli and Arab evils. "I do have a moral perspective," he said. "A Palestinian state is a gamble. It could be a center for Islamic revival. But there's no alternative, because they're there."

Reviewers have long praised Stone's ability to create richly desurrealistic sharpness, along with grittily verismo dialogue. "Damas-cus Gate," in particular, many said,

said. "I absorb what I see. I don't duty again in "Damascus Gate" as said. "I'm one of those people they remember details. You don't have a metaphor for inscrutability in the call a hallucine," he said. "I'm to copy down like mad if you just embattled holy city. always seeing things." This, he get details right." His strained childhood also sur-said, had nothing to do with the

Some of those details on warring faces in various ways in his work: psychedelic chapter of his life in religious sects and their biblical origins came from research at the Yale Divinity School library, he said er, a sweet soul tormented by Merry Pranksters. "I would have acters will end up in difficulties."

tailed settings of hallucinatory or Robert Stone: "I absorb what I see. I don't remember details."

cus Gate, "in particular, many said, hauntingly conveyed the strange volatility of millennial Jerusalem, a considerable feat for an outsider. How did Stone achieve it?

"I don't take a lot of notes," he said. "I absorb what I see I don't take a lot of notes," he said. "I absorb what I see I don't take a lot of notes," he said. "I absorb what I see I don't take a lot of notes," he said. "Demander Gate?" as said. "I absorb what I see I don't take a lot of notes," he said. "Demander Gate?" as said. "I'm constitute the moved them to go "bang on a pot" for his book. His conscience was clear. "No one until forced to park young Robert in a rough Catholic orphanage, he said. The navy gave him a passport formation Available Than There Is so the world.

He also recycles his visions, he said. "I'm conscience was clear. "No one until forced to park young Robert in a rough Catholic orphanage, he said. The navy gave him a passport to the world.

Let reaches an undergraduate writ-ing seminar at Yale.) Other details through a series of fleabag hotels until forced to park young Robert in a rough Catholic orphanage, he was also a comic novel." He said to the world.

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His conscience was clear. "No one until forced to park young Robert in a rough Catholic orphanage, he was also a comic novel." He said the was also a comic novel. "The nave of the

(He teaches an undergraduate writ- schizophrenia who moved them

been the same sort of writer if I'd had nothing more than a couple of

martinis," Stone said. Still, terrifying images abound in his works. Stone said he worked through repeated revisions on his computer to create what he cailed the book's "white space" and "un-dertone." "There's an aura you have to be in control of," he said. "It's the relationship of words, like

levels of interpretation of Torah."
A novel," he said, "should be as much like a poem as possible." Can he teach this to his students at Yale? Can writing be taught at all?
"Of course not," he said. "You can
take undergraduates and guide them. You can tell them what works and what doesn't. But unfortunately, you can't teach anyone to write. It comes from God." He said he learned to write "the old-fashioned

way, I learned from reading." He credits Conrad with teaching him how to construct a novel, and Dos Passos for bequeathing him the technique of setting different characters in play on seemingly parallel tracks that then converge. causing their lives to intersect.

He does not resent going on the hustings to plug his book or begrudge the travel time away from his writing desk, he said, In fact, he rather enjoys it.

"It's kind of wearing to go from city to city to explain myself." he said in a voice too gentle for his rugged visage. "But I've been a writer so long. I'm enjoying the notoriety."

He was only too willing, he said, to go "bang on a pot" for his book. the 1930s, although he said, "it

might not be the next thing." 'I'm going to run a river in Alaska. I've narrowed it down to

PEOPLE

THE South African playwright Athol Fugard band's hometown. City officials said the show, containing explicit threats against Stern and his planned for July 7 at Grant Park, would probably wife, Alison, the Daily News reported.

Tiger, "from an off-Broadway theater to protest its attract 100,000 people — twice as many as the decision to drop a play by Terrence McNally that depicts a Christ-like figure as gay. The Manhattan Theater Club says it canceled McNally's "Corpus Christi" last week because of threats of violence against the theater and the playwright. "This became an issue of safety, not censorship," said Lynne Meadows, artistic director of the Manhattan Theater Club. She said anonymous telephone callers had threatened to burn down the thearer, kill the staff and "exterminate" McNally if the play was performed. Many of McNally's plays have originated at the theater and "Corpus Christi" was read there last month. The script apparently made references to the Christ character, named Joshua, country had "taught me what freedom of speech" and help pregnant teenagers. really means." McNally has won Tony Awards for his plays "Master Class," "Kiss of the Spider Woman" and "Love! Valour! Compassion!"

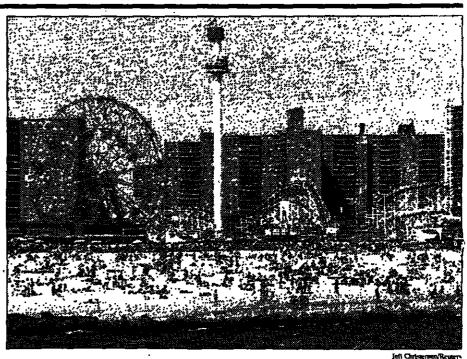
lakefront park could safely hold. The date is the band's 10th anniversary. "It's one of the biggest heartbreaks I've ever had in my life," said Billy Corgan, the group's singer and guitarist. One of the few venues that could handle the crowd, Soldier Field, apparently was unavailable on such short notice, Corgan said.

Photographs of Frank Sinatra — and even his first baby picture — are on display this week in Las Vegas in an exhibit at the MGM Grand Hotel-Casino. Its opening kicked off a week of activities in tribute to Sinatra, including a celebrity golf having sex with his aposities. Fugard said that he classic and a star-studded gala Saturday evening. The events, which were planned months ago, will cellation of the work and that apartheid in his native raise money for centers that treat abused children

A man who served six years in prison for men-Pumpkins to stage a free summer concert in the rock accused of sending postcards, letters and packages flowers, messages and toys.

The actress Louise Fletcher, best known for her Oscar-winning performance as Nurse Ratched in 'One Flew Over the Cuckoo's Nest," has been charged with reckless driving. Fletcher, 63, allegedly struck a police officer who had stopped his cruiser to remove a deer carcass from a road in Leesburg, Virginia. His legs were injured and he was hospitalized.

A plan to honor Diana, Princess of Wales, with memorial garden near her Kensington Palace home drew criticism at a public meeting on the project. A permanent memorial would be "tacky." said Brian Sewell, a local resident and art critic. A a 16-acre (6-hectare) garden that would accommodate about 5 million visitors a year. But some residents of the stylish district feared the tourism acing President Gerald Ford was charged with would increase congestion, as happened after her sending death threats to the infamous radio "shock-funeral in September. The area became an im-



Chicago has squashed plans by the Smashing jock 'Howard Stern. Michael Lance Carvin was promptu shrine where people left thousands of anniversary this year, hoping to recreate the glories of its heyday in the 1920s and '30s.



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